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ABSTRACT

In this document, a state appointed task force commissioned to examine how Ohio state colleges and universities can sustain quality programs with the highest degree of efficiency during times of fiscal constraint reports on its findings and conclusions, and offers its recommendations. Following an executive summary the report is presented in four parts the first of which offers an analysis of the challenges facing the state's higher education system in the coming decades. The second section provides an overview of higher education in Ohio profiling the system's size and scope, the students, the faculty, governance structures, and goals. Also treated here are the historical values expressed in Ohio's policy of access, quality and efficiency. The third section presents facts about the Ohio system particularly concerning revenue and expenditure patterns and "cost drivers." The final section advances the recommendations and conclusions, which involve linking state colleges and universities more effectively, suggests six statewide priorities, and encourages the strengthening of leadership responsibilities. A brief dissenting report on the conclusions is included. Extensive appendixes contain the following information: location of state institutions; enrollment data and degrees awarded; student and faculty data; efforts to improve access, quality, and efficiency; revenue and expenditure sources; faculty workload and productivity; medical school plans; and executive summaries of reports to the task force from individual colleges and universities. (Contains 52 references.) (JB)

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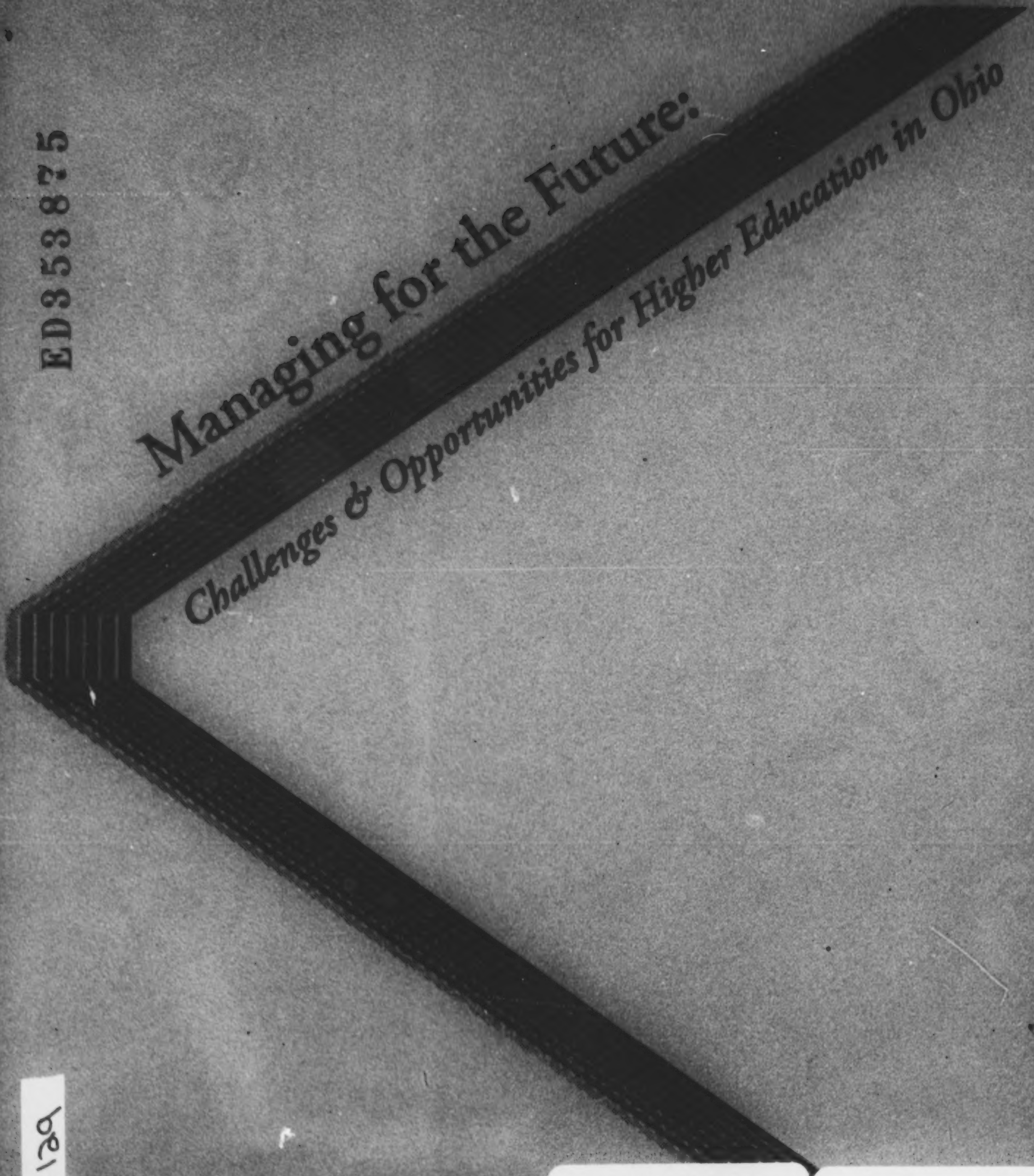

Managing for the Future:

Challenges & Opportunities for Higher Education in Ohio

Report of the
Managing for the Future Task Force
July, 1992

HE 026 129

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MANAGING FOR THE FUTURE TASK FORCE

Dr. Kenneth M. Clemens
Dentist
Lima, Ohio

Dr. Sharon Coady, Dean
Academic and Student Affairs
Edison State Community College
Piqua, Ohio

Mr. Thomas G. Cody
Executive Vice President
Legal and Human Resources
Federated Department Stores, Inc.
Cincinnati, Ohio

Mr. Tim Cosgrove
Director of Policy & Legislative Initiatives
Governor's Office
Columbus, Ohio

Mr. Bruce Douglas
The Douglas Company
Toledo, Ohio

Mr. N. Victor Goodman, Task Force Chair
Attorney
Benesch, Friedlander, Coplan and Aronoff
Columbus, Ohio

Dr. Elaine H. Hairston
Chancellor
Ohio Board of Regents
Columbus, Ohio

Dr. Charles E. Hathaway
Provost
Wright State University
Dayton, Ohio

Mrs. Marsha Hughes
President
Northeast Ohio League of Savings Institutions
Cleveland, Ohio

Mr. William G. Lyden, Jr.
Chairman of the Board
The Lyden Company
Youngstown, Ohio

Mr. Kent B. McGough
President
McGough & Associates, Inc.
Columbus, Ohio

Mr. Stephen Perry
Director
Department of Administrative Services
Columbus, Ohio

Dr. David H. Ponitz
President
Sinclair Community College
Dayton, Ohio

Ms. Verna K. Riffe
Chairman
Board of Trustees
Shawnee State University
Columbus, Ohio

Dr. Richard Ruppert
President
Medical College of Ohio
Toledo, Ohio

Mr. William J. Shkurti
Vice President for Finance
The Ohio State University
Columbus, Ohio

Dr. Joseph Steger
President
University of Cincinnati
Cincinnati, Ohio

Dr. Charles E. Taylor
Partner
Lamalie Associates, Inc.
Cleveland, Ohio

Mrs. Anita S. Ward
Vice Chairman
Ohio Board of Regents
Columbus, Ohio

Board of Regents Staff

Dr. Ann H. Moore
Vice Chancellor for Planning &
Organizational Development

Kenneth M. Clemens
Kenneth M. Clemens

Sharon Coady
Sharon Coady

Thomas G. Cody
Thomas G. Cody

Tim Cosgrove

Bruce Douglas

Elaine H. Hairston
Elaine H. Hairston

Charles E. Hathaway
Charles Hathaway

Marsha E. Hughes
Marsha Hughes

William G. Lyden Jr.
William G. Lyden, Jr.

Kent B. McGough
Kent B. McGough

Stephen A. Perry
Stephen Perry

David H. Ponitz
David Ponitz

Verna K. Riffe
Verna K. Riffe

Richard D. Ruppert M.D.
Richard Ruppert

William J. Shkurti
William J. Shkurti

Joseph A Steger
Joseph A.. Steger

Charles E. Taylor
Charles E. Taylor

Anita S Ward
Anita S. Ward

BENESCH, FRIEDLANDER, COPLAN & ARONOFF
ATTORNEYS AT LAW
88 EAST BROAD STREET
COLUMBUS, OHIO 43215-3506
(614) 223-9300

850 EUCLID AVENUE, SUITE 1100
CLEVELAND, OHIO 44114-3399
TELEPHONE (216) 363-4500
TELECOPIER (216) 363-4588

2800 CINCINNATI COMMERCE CENTER
600 VINE STREET
CINCINNATI, OHIO 45202-2409
TELEPHONE (513) 762-6200
TELECOPIER (513) 762-6245

CABLE "BFCA"
TELEX 297607
TELECOPIER (614) 223-9330

WRITER'S DIRECT DIAL NUMBER
(614) 223-9343

July 21, 1992

Mr. Raymond T. Sawyer
Chairman
Ohio Board of Regents
3600 State Office Tower
30 East Broad Street
Columbus, Ohio 43215

Dear Ray:

As chairman of the Managing for the Future Task Force, I am pleased to submit the results of our year-long deliberations. At the request of the Board, our 19-member Task Force examined how to provide the highest quality higher education services within a constrained state resource environment. Leaders of higher education, local communities, government, business and industry gave of their valuable time to assist in this important and challenging task.

The work of the Managing for the Future Task Force was divided into two parts: statewide and institutional. A Statewide Issues Committee of the Task Force explored quality and cost issues that have statewide impact and focussed on statewide strategies for preserving high quality services with fewer state resources. In addition, each college and university empaneled an Institutional Committee on Managing for the Future to guide an internal review of the same issues from an institutional perspective. Colleges and universities were requested to engage leaders outside the campus in these activities and to report their findings to the state-level Task Force. The Executive Summary of each campus report is included in Appendix J of the report; the full reports are transmitted herewith.

Less than half way through the deliberations of the Managing for the Future Task Force, an additional 4% budget cut was imposed on higher education, following an earlier 3% loss from 1991. The severity -- and the timing -- of this second budget cut forced institutions to make rapid decisions about cost curtailment and preempted much of the scheduled work of the state-level and institutional task forces as immediate responses were made to address the 1992-1993 fiscal crisis.

Because the constrained resource environment had already become an instant reality to the higher education community, the work of the task forces turned to longer-term issues of quality, access, stability and viability of higher education in Ohio, within such an environment. That is the main thrust of this report.

Now that the 1993 higher education budget has been decreased by another 10.5%, there is an even greater urgency for Ohio's colleges and universities to make the kind of long-term changes recommended by the institutional management task forces and those we have proposed in this report. Cost-reduction and cost-containment approaches must continue on our campuses. However, at the same time, we believe the Ohio Board of Regents, Ohio's political leaders, the higher education community, and college and university advocates must work together to find the resources needed to make a college education more affordable to the increasing numbers of students.

We believe the recommendations in our report will require careful consideration and implementation. We urge, however, that the Board move toward implementation as soon as possible. Task Force members stand willing to assist you in any way you deem appropriate.

Sincerely,

N. Victor Goodman
Chairman

NVG:bt

STRUCTURE OF THIS REPORT

Because it is important for the reader to understand the influences that led the Task Force to its conclusions, this report seeks first to provide an overview of higher education in Ohio (Section II). Next, the facts about Ohio's higher education revenue and expenditure patterns are presented (Section III). Finally, Section IV contains a more detailed description of the Task Force's proposed solutions and recommendations.

The views of the Task Force members do not necessarily represent the positions or policies of their respective colleges or universities.

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EXECUTIVE SUMMARY
Report of
Ohio's Managing for the Future Task Force

The Managing for the Future Task Force was convened by the Ohio Board of Regents to examine how colleges and universities could sustain quality programs with the highest degree of efficiency during times of fiscal constraints. After a year of gathering facts and careful consideration, we reached the following conclusions regarding the connections of higher education to Ohio's future:

- Higher education is the centerpiece of the knowledge society and the demand for higher education is increasing as the connection between education and economic development becomes more urgent;

- Communities and individuals are placing increasing demands on colleges and universities to step up outreach efforts to underserved populations; solve problems through research and innovation; provide lifelong career and personal development opportunities; secure scholarship funds for those most in need; and demonstrate the results of the teaching/learning process.

- Even as society places increased demands on colleges and universities, providing resources to higher education has become a lower priority on federal and state agendas; funds are decreasing; costs to students are rising; and quality is being threatened.

- Ohio is not positioned well for today's knowledge-based economy because relatively few adults have gone to college compared to states with a higher per capita income; the state has historically invested less than other states in higher education and research; and lower investments in higher education slow economic growth.

- Ohio is in a downward spiral in which limited educational opportunities lead to lower income which leads to fewer tax dollars which limit educational opportunities even further.

- College is a necessity, not a luxury; it is essential for stimulating research and development key to the economic vitality of Ohio. Yet as a result of low federal and state investments in higher education students are being squeezed out of college because their families cannot afford the added costs.

In our view, Ohio's public colleges and universities have been managed efficiently given the fact that each institution has been trying to provide full services for the constituencies they serve. Presidents and trustees have served Ohio well in managing to provide open access to students not always prepared for collegiate-level work; to improve the level of quality in programs; and to serve the economic and social development needs of the state and its regions. They have been able to do this at a cost below the national average, and with historically low levels of funding from the state. Student fees have taken up part of the slack, but cost-containment efforts on every campus have held student fees lower than they would have been if spending levels in Ohio were at or above the national average.

The Managing for the Future Process. The 19-member Statewide Managing for the Future Task Force is composed of leaders from higher education, local communities, government, and business and industry; its work has been complemented by the efforts of similar groups on every campus. The process began in 1991; campus reports were completed in May of 1992.

The universities, for the most part, have been trying to offer programs ranging from developmental and remedial education through doctoral degrees and research. Community and technical colleges have provided open access to their regions at the associate degree level and serve the immense job training needs of those individuals already in the workforce. Our challenge, as a task force, was to find a way for the colleges and universities to continue to achieve the access, quality, and efficiency standards expected by Ohioans within what we believe will be a protracted period of limited resources.

We believe the greatest benefit to Ohioans will come in larger, overarching structural changes within each college and university as identified by their task forces, and across the state as incorporated in our recommendations. Each campus has demonstrated to us specific ways it has been reducing costs over the last decade; each is on a path to streamline operations without loss of quality.

Our report has identified where we believe the strengths lie in higher education. The strengths of the campuses must not be diluted in our attempts to reshape higher education. At the same time, we believe those strengths provide a solid foundation for a more systematic approach to planning and coordination, with the Ohio Board of Regents assuming a stronger leadership role. College and university presidents and trustees need to work more closely together in a higher education *system* that responds more fully to the needs of all Ohioans while also having enough autonomy to carry out the effective operation of each institution.

Summary of Recommendations

We concluded from our own examination of available evidence and information provided in the college and university management reports that the longer-term strategy for building a robust higher education *system* in Ohio requires revisiting its structure and the delivery of its services. While there may be short-term costs associated with the recommendations that follow, the long-term benefits will accrue from higher quality, productivity, efficiency and effectiveness in meeting the educational needs of Ohioans.

Our state-level Managing for the Future Task Force and the institutional management committees have concluded that it is necessary for Ohio to:

1. Link state colleges and universities more effectively to form a higher education *system*;

2. Redesign the higher education structure to address six statewide priorities; and

3. Strengthen the higher education system leadership responsibilities of the Ohio Board of Regents while retaining college and university responsibility for campus policies and operations.

Our recommendations and assigned responsibility to enact them are included in Section IV of the Report. What follows is a summary of key points.

For Ohio to achieve greatest access for its citizens to academically strong and economically efficient higher education services, we recommend the following actions:

I. Link state colleges and universities more effectively to form a higher education system.

- Develop a new strategic plan that sets the mission, goals, objectives and expected results for the higher education *system.*
- Review and refocus college and university missions to fit the mission, goals and objectives of the state higher education system.
- Require regional collaboration where appropriate in graduate and professional education.
- Support the plan of the State's seven medical colleges, to build both a regionalized system of health care and statewide collaboration in areas such as educational technology and biomedical research.
- Communicate state higher education funding goals, priorities and policies to college and university trustees and presidents, and work closely with them to achieve the goals and carry out the policies.

II. Structure the higher education system to address six statewide priorities.

1. Meet the Diverse Needs of Students and Optimize Their Achievement.

- Work closely with the State Board of Education and with schools to ensure that, by the year 2000, all Ohio high school graduates can demonstrate completion of a college or technical preparatory curriculum for admission without condition to community and technical colleges.
- Increase the participation and achievement of economically disadvantaged and minority students at each college and university, and at all levels of education.
- Structure the State's two-year college system to: create regional community college districts; consolidate 'co-located' technical colleges and university branches into community colleges; and offer site and time specific upper-division and graduate programs through university affiliations. The community colleges, working in the framework of a strengthened articulation and transfer mechanism, would become the principal open access points for higher education in the State and would have primary responsibility for developmental and remedial education.

2. *Assure Excellence in Academic Programming.*

   - Refocus campus missions to ensure that offerings are consistent with the overall mission of Ohio's system of higher education.

   - Strengthen campus- and state-level reviews of quality and effectiveness of academic programs.

   - Eliminate or consolidate programs where there is unnecessary duplication or where the yield is too small for continued high quality.

   - Require colleges and universities to measure and report on institutional effectiveness.

   - Restore funding for incentive-based programs targeted at quality improvement, much like the Selective Excellence initiatives did.

   - Improve teaching and learning in the schools, especially those school districts with consistently high numbers of students needing remediation.

   - Reaffirm the importance of undergraduate education and develop strategies to encourage instructional innovation and efficiency at the undergraduate level, including the use of technology and more effective deployment of teaching personnel.

   - Reaffirm the value of research both as an integral part of higher education and as a critical factor in the economic well-being of the State. Focus research funding to centers of excellence both at the State's comprehensive research universities, Ohio State and Cincinnati, and to selected programs at other universities.

   - Designate Ohio's two-year college workforce training network, EnterpriseOhio, and its member institutions as the preferred mechanism for the delivery of customized training throughout Ohio.

3. *Increase Productivity and Reduce Costs.*

   - Hold administrative costs down by negotiating cost-to-inflation benchmarks for each campus. In addition, campuses should adopt a continuous quality improvement approach to administration; implement energy conservation plans; develop collaborative programs in areas such as health care insurance and purchasing; and privatize campus operations where appropriate.

   - Ensure that faculty time is allocated in the most productive manner by developing an institutional faculty workload and performance evaluation policy. The policy should ensure that both assigned teaching and the evaluation and reward system are consistent with institutional mission. Contracts for both faculty and administrators should be performance-based.

- Take specific steps to eliminate duplicative reporting requirements at both the State and federal levels.

- Streamline and reform State policies for personnel systems, for the use of architectural and management services in facilities construction, and in the use of auditing and legal services.

4. *Ensure Accountability.*

   - Require that appropriate accountability mechanisms are in place at the campus and State levels. Each college and university should inform the Board of Regents how the following will be measured: the quality of classroom teaching; quality of services in student support areas; student achievement; faculty workload, and evaluation of faculty performance.

   - Identify separately all student charges for intercollegiate athletics and identify explicitly all revenues and expenditures for intercollegiate athletics in the institution's annual budget report.

5. *Strengthen Leadership and Management Effectiveness.*

   - Convene leadership conferences to broaden the participation of colleges and universities in systemwide planning and coordination; work with colleges and universities to develop suitable measures of institutional effectiveness in support of campus and system goals and objectives; communicate results of these assessments to all campuses and to the public; identify with clarity the responsibilities and expectations of college and university trustees. Boards of Trustees should annually evaluate their own effectiveness.

6. *Secure Resources to Make Higher Education Affordable.*

   - Assure that State monies are directed to higher education system priorities in both the operating and capital budgets for the years ahead.

   - Develop, with the Office of Budget and Management, formal rules concerning the type of "community projects" that are eligible to be funded by higher education bonds.

   - Provide incentives, or at least remove disincentives, in state funding policies to encourage consolidation, merger, elimination, transfer or other reduction of unnecessarily duplicative or otherwise low priority academic programs.

   - Work to ensure that state funding provides incentives for quality enhancement.

III. Strengthen the higher education system leadership role of the Ohio Board of Regents while retaining college and university responsibility for campus policies and operations.

An affordable system design will require that the Ohio Board of Regents become responsible for: setting statewide goals and objectives for higher education; guiding the development of institutional missions to ensure the most effective deployment of resources; eliminating unnecessary program duplication; establishing statewide funding priorities; providing a framework for the debate of higher education policy issues; and assuring that students are receiving the highest quality services possible. We therefore recommend that the Ohio General Assembly authorize the Board of Regents to carry out the responsibilities which are not currently part of the Board's charter, and to coordinate the delivery of all adult postsecondary programs.

Responsibility for providing leadership in restructuring the system of higher education lies first with the Ohio Board of Regents and the college and university leaders, but this alone is not enough. The state's elected officials need to address where higher education fits among other budget priorities. If Ohio's goal is to produce more educated citizens, then the state of Ohio needs to support additional funding for growing numbers of students on at least an equal footing with additional funding for prisons and for Medicaid. Otherwise restructuring the system of higher education will expend a great deal of energy without reversing the decline in Ohio's ability to compete in a global economy.

We have examined the evidence and offer our recommendations to the Ohio Board of Regents for their consideration. Our recommendations are not short-term in nature. They will require careful consideration by Ohio's government leaders, the higher education community, and industry, labor and community leaders across Ohio. We urge that this process move deliberately and that implementation of the recommendations begin yet this year.

I. THE CHALLENGE:

RESHAPING THE FUTURE OF OHIO'S HIGHER EDUCATION SYSTEM[1]

* * *

> *"As the society becomes more complex, the amount of education and knowledge needed to make a productive contribution to the economy becomes greater. A century ago, a high school education was thought to be superfluous for factory workers and a college degree was the mark of an academic or a lawyer. Between now and the year 2000, for the first time in history, a majority of all new jobs will require postsecondary education."*
>
> *William B. Johnston*
> *Workforce 2000, 1987.*

* * *

The Problem: Increasing Demand vs. Decreasing Resources

Higher education is the centerpiece of the knowledge society, yet without adequate resources its strengths will erode. The economic and social imperatives for higher education are clear:

- **Economic growth and stability in a state is affected by the correlation between:**

Education and income – The higher the education level of a state's population, the higher the per capita income level and ability to contribute to state resources.

Education and technology adaptation – The higher the education level of a state's population, the higher the level of productivity in its industries.

Education and innovation – The higher the education level of a state's population, the more likely it is that new products and new businesses will be developed.

Education and economic development – The higher the education level of a state's potential workers, the more likely businesses will locate in the state.

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[1] *The Task Force only reviewed and this report only addresses Ohio's public colleges and universities.*

Education and the quality of one's life – The higher the education level of a state's population, the greater are the opportunities to participate and provide leadership to the cultural, social, and spiritual development of communities throughout the state.

- Educated workers are needed to support the aging population. As the baby-boomers near retirement, the strain on public services such as Medicaid and Medicare will escalate. Only three working adults will support one elderly person, compared to the 17:1 ratio that existed 15 years ago.

Increased demands are being made on colleges and universities today.

- Increasing racial and ethnic diversity requires colleges and universities to step up their outreach to populations historically underserved.
- Communities depend on higher education research and innovation to solve problems.
- Global competition requires graduates who have been taught to think, write and solve problems.
- Individuals changing careers must have opportunities for lifelong learning.
- Preservation of democratic principles requires a high literacy rate and a rich, culturally sensitive learning experience for all.
- Declines in disposable family income require more scholarship funds for students.
- Demands for accountability challenge educators to demonstrate the results of the teaching/learning process.

Yet as society places more demands on colleges and universities, providing resources to higher education has become a lower priority on many state agendas. Funds to support public colleges and universities are decreasing and threatening quality.

- The instability and uncertainty of state higher education revenues make sound planning, effective management, and long-term investments in quality difficult.
- Administrative and support services are the first to be pared away as budgets shrink. Increasing federal and state reporting and compliance requirements sap the remaining resources and detract from the funds needed for effective campus leadership.
- Severe budget reductions cut into the heart of the enterprise – teaching and learning. Programs are dismantled, library resources diminished, course selections trimmed, facilities and laboratory equipment outmoded, and faculty and staff terminated.

- Word travels fast. Good faculty and staff move on to "greener pastures" and new ones are difficult to recruit to campuses with inadequate resources.

- The national and international reputations of individual programs and entire institutions become tarnished if they cannot sustain the quality upon which their reputation is based.

These phenomena will place Ohio higher education in great peril if we do not seize the opportunity to reshape its destiny.

The Patterns Are Clear

Ohio has not invested as heavily in higher education as other states. In the past higher education seemed unnecessary to many. Generations of Ohioans raised families on incomes earned from farming, mining and manufacturing. This is no longer possible. Without an appropriate investment in higher education, the state's future will be dim. The patterns are clear:

- Relatively few adults have gone to college compared to other states. Now that the economy has shifted, the state needs more college educated workers, and growing enrollments reflect this trend.

- Ohio is in long term economic decline, and is not positioned well to compete in today's knowledge-based economy. This places continuing pressure on the state budget, making it difficult to generate a real increase in support for higher education.

- The cost of higher education has been rising and state support has not been sufficient to fully fund enrollment growth. The slack has been picked up only partially through student fees.

- Resistance to higher tuition is growing.

- The state's finances are being eaten up by federally mandated entitlement programs (e.g., Medicaid and other human services programs) and state legislated protections (e.g., prisons) rather than being invested in preventive programs such as higher education.

- Higher education has become a lower priority in state funding at a time when it is perceived by corporate leaders as a necessity for rebuilding the economy of this state and nation.

The economic and political realities require that we search for ways to provide more effective service with the resources currently available. Thus, we attempted to find ways to sustain and improve quality in an environment of limited resources. Our recommendations were based on the following conclusions:

- Higher education is no longer a luxury – it is now a necessity for preparing people for good jobs and raising income levels. It is essential for stimulating research and development key to the economic vitality of Ohio. Its societal value is more important today than ever before.

- In general, Ohio's colleges and universities have been very efficiently managed given all they have tried to accomplish within the resources acquired from the state and student fees.

- The resource problem for higher education is not just a short-term issue that colleges and universities can "ride out." We found compelling evidence that having adequate resources for higher education is a long-term problem.

- Even as colleges and universities try to keep their fees as low as possible, the cost borne by students is likely to remain high.

- As a result of decreasing federal and state resources for higher education, middle income students are being squeezed out of college because their families cannot afford the added cost. Federal and state financial aid programs combined are not enough to pay the tuition fees for those in greatest need.

- Ohio cannot support all current higher education programs and services with reduced resources.

- The goals of access, quality and efficiency are perceived by many to be competing with one another.

- Quality is the centerpiece of cost-containment strategies. In the search for improved cost-effectiveness quality must not be diluted.

- The most pertinent issue for us from a state-level perspective was the *effective* use of resources.

Costs per student in Ohio are lower, and in some specific cases considerably lower, than costs in comparable colleges and universities in other states. This reflects solid management at the institutional level and the wisdom of state policies that have provided incentives for good management. The campuses shared many of their cost-containment strategies with us, which are summarized on page 5, and presented more fully in Appendix F and in the campus report summaries included in Appendix J. It was apparent from the campus reports that it will be difficult to reduce spending further and maintain quality; the obvious cuts were made long ago.

We concluded from our own examination of available evidence and information provided in the college and university management reports that the longer-term strategy for building a robust higher education system in Ohio requires revisiting its structure and the delivery of its services. As one of our members put it, "the real problem we are dealing with here is that in terms of values and structure, we have a 1960's design that hasn't caught up to the economic realities of the 1990's. The real challenge for us is to improve the design."

The overall mission of the higher education system must be charted in a way that links the colleges and universities together to effectively achieve these goals which we believe are essential to Ohio's higher education future:

- Student Focus: State assisted colleges and universities should be expected to focus primarily on the educational needs of students, local communities and the citizens of Ohio within the context of a global society.

Managing for the Future: Evolving Strategies

The college and university task forces identified a number of management and cost-containment strategies, many of which have already been implemented and others that could be used at the state-wide level and on the campuses to provide the highest quality services at the lowest cost, such as the following:

1. *Contain costs.*
   - Clarify and communicate institutional mission and eliminate those programs and services not central to the mission;
     - Review programs for centrality, quality and demand, to determine if the program/service should be enhanced, continued, consolidated, reduced, or eliminated.
     - Review support services for centrality, connection to other services, process improvements needed, and policies, rules and practices that need to be revised or eliminated.
   - Develop more effective staffing patterns and rely more extensively on student workers, recruiting volunteers, and introducing flexible schedules;
   - Use technology to streamline communications, improve processes and decisions, and increase instructional productivity within institutions as well as among institutions;
   - Consolidate purchases with other colleges and universities or community organizations, especially for big-ticket items such as insurance (health and risk) and equipment (e.g. Inter-University Council has taken a number of steps to consolidate purchasing goods through combined contracts for individual colleges and universities);
   - Reduce maintenance and energy costs through deliberate planning and action;
   - Collaborate with other colleges and universities in program and service delivery by sharing faculty, equipment, space, curriculum, and other resources; and
   - Privatize those services that can be done more cost effectively by private vendors, e.g., custodial and food services.
2. *Increase productivity.*
   - Set institutional expectations for faculty work load that are consistent with mission and make the most appropriate use of faculty time and talents.
   - Develop ways to increase the amount of student learning generated with each hour of faculty instruction, through the use of technology, innovative teaching/learning methods, etc.
   - Provide incentives that reward increased productivity in all parts of the institution; and
   - Use Total Quality Management principles to develop more effective management and instructional processes.
3. *Reform or restructure.*
   - Develop "system" goals and structure for higher education in Ohio;
   - Institute systematic short- and long-range planning at both the state and institutional levels;
   - Create an organizational structure that is flexible and adaptable to change;
   - Encourage innovation in instruction and management; and
   - Foster collaboration and partnerships with other colleges and universities, community organizations, and business and industry.
4. *Increase income from non-state sources.*
   - Remove caps on tuition and fees, allowing Boards of Trustees the full authority to balance institutional budgets in times of fiscal stress;
   - Charge user fees for special services provided to students and community groups;
   - Collect reimbursement for indirect costs from auxiliary services, grants and contracts;
   - Increase private support from foundations, alumni and friends;
   - Encourage donations of goods and services (especially equipment) from business and industry and private citizens;
   - Manage enrollments to generate and sustain maximum subsidy, tuition and fee income while incurring only marginal increases in program expenditures;
   - Increase externally funded research and sponsored activity;
   - Create profit centers from customized training for business and industry; and
   - Secure a better return on institutional investments (this would require changes in Section 135.14 of the Ohio Revised Code).

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- **Student Access and Achievement:** Each college and university should commit its resources to assure each student will achieve his/her educational goals. The emphasis should be on student retention and completion of programs.

- **Affordability:** The cost of higher education borne by students should not be a major deterrent to attending college; adequate financial aid should be available for students most in need, whether they attend college on a full-time or part-time basis.

- **Quality:** Colleges and universities should be expected to achieve high standards of quality in services for students and communities. A process which will help a college or university achieve quality is one which has the following characteristics:

    - leadership vision that charts a course for the college or university into the future;
    - clearly defined, appropriate mission that reflects the educational needs of those it is to serve;
    - long-range and strategic plans for effective operation of the institution, including goals and measurable objectives;
    - mechanisms for determining institutional effectiveness, including program and student learning assessments;
    - ways to continually improve quality and productivity.

- **Diversity:** Colleges and universities should foster a campus climate that encourages cultural, racial and ethnic diversity in its mix of students, faculty and staff and should include multi-cultural perspectives in the teaching/learning process.

- **Collaboration:** Colleges and universities should work with one another and/or with other organizations (e.g., schools; industry; labor) to deliver quality services to students and communities, and to contain costs.

- **Accountability:** Each college and university should be able to demonstrate to the Board of Regents efficiency and effectiveness in the delivery of higher education services to students, communities and the State. The Board of Regents must demonstrate system-wide results to Ohio's citizens.

- **Autonomy:** The Ohio Board of Regents should continue to serve as the state planning and coordinating agency for higher education, setting system-wide policy in a manner that serves the best interests of the citizens of Ohio. Colleges and universities should continue to be separately governed by boards of trustees that will set policies and make operating decisions consistent with the aims and goals set forth by the Ohio Board of Regents.

The Structure Must be Redesigned

Prior to 1960 there were only six state universities. Ohioans demanded greater access to college for first the Baby Boom and then the Adult Echo. This expansion reflected the commitment of then Governor James A. Rhodes to place a college within a 30 minute commuting distance of every Ohioan. It reflected the population patterns including increasing urbanization and responded directly to the growing need for college educated adults in Ohio. In response the Board of Regents and the Ohio General Assembly created 57 additional campuses over the next two decades. The result was a patchwork quilt of colleges and universities, each with its own unique programs and strengths. The campuses have never been required to follow systematic state higher education goals. Without moving the campuses into a *system-wide* response to the needs of the state and its people, we believe that students will not be effectively served in Ohio.

Service to students was our main guiding principle in discussions leading to the redesign of higher education in Ohio. We envisioned an effective higher education *system* designed to:

1. Meet the diverse needs of students and optimize their achievement,
2. Assure excellence in academic programming,
3. Increase productivity and reduce costs,
4. Ensure accountability,
5. Strengthen leadership and management effectiveness, and
6. Secure resources to make higher education affordable.

Meet the Diverse Needs of Students and Optimize Their Achievement

The higher education structure must be redesigned to ensure enrollment *and* achievement of more students. State resources need to be deployed in the most effective way to achieve student success. This will require:

- Working with schools to ensure basic academic preparation of students entering college,
- Developing a comprehensive system of open access community colleges serving as feeders to the university system,
- Placing major but not exclusive responsibility for developmental and remedial education in the community colleges,
- Providing selected baccalaureate and graduate degree opportunities to placebound students,

- Ensuring that campuses meet the academic, financial, logistical, cultural, and psychological needs of all students,
- Placing the responsibility for student retention and completion with faculty,
- Making it possible for students to transfer from one state higher education institution to another without loss of credits, and
- Requiring each institution to make education accessible and customer oriented.

Assure Excellence in Academic Programming

The higher education structure redesign must focus on academic excellence. This will require:

- Reviewing and refocusing institutional missions to fit into a statewide system,
- Evaluating programs for quality, centrality to refocused missions, and avoidance of unnecessary duplication,
- Eliminating programs that are of low quality, not central to the institutional mission or duplicate other programs,
- Measuring and reporting institutional effectiveness to the Board of Regents, and
- Developing innovative ways to improve the teaching/learning process.

Increase Productivity and Reduce Costs

The higher education structure redesign should result in a quality product for an affordable price. This will require:

- Increasing administrative and instructional productivity,
- Improving or eliminating a variety of state processes that have driven up higher education costs, and
- Evaluating institutional effectiveness based on clear institutional missions.

Ensure Accountability

In the redesign, quality and productivity should be demonstrated with appropriate accountability measures. College and university trustees and presidents are responsible for accountability to their students and communities. Accountability to the citizens of Ohio for the state higher education system is the role of the Board of Regents and chancellor. These need to be defined for the classroom as well as the service areas.

Strengthen Leadership and Management Effectiveness

The redesign of the higher education structure should assure that those individuals charged with the responsibility and accountability for the colleges and universities have the authority and expertise to carry out their charges. This will require clearly defined leadership roles and responsibilities, strong board appointments, forthright state and institutional leaders, and governance policies and practices that allow leadership teams to implement the recommendations included in this report.

Secure Resources to Make Higher Education Affordable

The structure redesign must focus on new income sources for college and university operations that are needed to keep student costs down. Equally important, though, is the need to find ways to help students and their families pay for college. This will require redesign of financial aid programs and finding new partners willing to commit needed resources.

To accomplish this redesign, we concluded that more effective planning and coordination at the state level is needed to create a higher education *system*. Campus autonomy should be preserved to the highest degree possible, especially at the campus operational level. The role of presidents and trustees is vital. But the Board of Regents must play a strong role in designing a more effective higher education system.

An affordable *system* design will require that the Board of Regents become responsible for:

- Setting statewide goals and objectives for higher education,
- Guiding the development of institutional missions to ensure the most effective deployment of resources,
- Eliminating unnecessary duplication,
- Establishing statewide funding priorities,
- Providing a framework for the debate of higher education policy issues, and
- Assuring that students are receiving the highest quality services possible.

The Board of Regents currently does not have the authority in state statute necessary to carry out these responsibilities. Thus, we recommend expansion of the Board's responsibilities, and call upon the Board to exercise its new authority in close consultation with the colleges and universities that make up the higher education system in Ohio.

II. THE OVERVIEW:

OHIO HIGHER EDUCATION PROFILE, VALUES AND UNIQUE FEATURES

* * *

> *"Hail the university. Have no doubt, our universities and colleges are our number one relative competitive strength. That's right, number one . . . almost no one disagrees about America's awesome higher education advantage...."*
>
> *The knowledge society is here – from the practice of law to the design of semiconductors. We've never been so dependent upon our universities to be flag bearers for our economy . . . . Our university system merits ringing applause – and continued vigorous support."*
>
> *Tom Peters*
> *A Passion for Excellence, 1985.*

* * *

Profile

Higher education in Ohio has developed in response to the needs of the people – where ever and who ever they are, whether in large urban centers or small towns in Ohio's 29 Appalachian counties. State officials and college and university leaders have launched numerous costly strategies over the years – urban universities, geographical access, technical education to assure that its citizens learn more, earn more, and live a better life. These were wise investments for the state and they are producing well-educated citizens. As a result, however, many of today's costs and pressures are embedded in the system and must be addressed by the Governor, Legislature and higher education leaders working together.

Size and Scope

Since the founding of Ohio University in 1804, a higher education structure has evolved in Ohio that includes 63 public campuses, 48 independent non-profit liberal arts colleges and universities, and more than 70 specialized independent non-profit colleges (art and music academies, seminaries, nursing schools). Included in the public sector are 13 universities, 2 free-standing medical schools, 10 community colleges, 13 technical colleges, and 25 university branch campuses. See Appendix A for the location of each campus.

Public colleges and universities vary in size and scope of programming from a small campus such as Rio Grande Community College with 1,421 students and 13 associate degree programs to The Ohio State University with over 53,900 students, more than 250 degree programs at the associate, baccalaureate, graduate, and professional levels, and a comprehensive research agenda.

Collectively, Ohio's public colleges and universities enroll more than 443,000 (headcount) students in credit programs. Ohio's independent institutions enroll more than 100,000. The Board of Regents does not collect data on student retention or graduation rates, but national data indicate approximately 81,000 students earn degrees in Ohio every year – 60,000 from public institutions and 21,000 from independent non-profit institutions. Of the degrees granted, more than half are at the baccalaureate level; one-fourth are at the associate level. See Tables 1 and 2 in Appendix B for enrollment patterns and degrees awarded.

The physical plant of Ohio's public institutions alone includes over 1,800 buildings and 81 million gross square feet of space. Over 21,300 full-time equivalent faculty are employed by Ohio's public colleges and universities; more than 48,000 full-time equivalent administrative and support staff are employed.

Total expenditures for all public institutions are approximately $3.8 billion per year; the State of Ohio provides less than half the revenue needed to meet higher education expenditures each year.

Student Profile

Overall, the student profile has changed over the last decade from a traditional-aged (18-21) male, full-time, day student to a typical student today who is female, older (23+), with work and/or family responsibilities. More students attend school part-time, in the evening or on weekends than a decade ago. Full-time, traditional-aged students from across the state and outside Ohio are most often found in the residential universities. Students attending non-residential universities and two-year campuses are usually older, from the local community or region, attending part-time and in the evenings. The racial and ethnic mix has not changed substantially in Ohio's colleges and universities over the last decade. (See Tables 3-7, Appendix C for a more detailed student profile.)

Faculty Profile

The Board of Regents does not have retrievable data on faculty age, gender or race/ethnicity. The proportion of faculty in the ranks of Professor, Associate Professor, Assistant Professor and Instructor at Ohio's public colleges and universities has remained steady for the last five years even though the number of faculty has increased. There has been a decline in the last year in the use of Graduate Teaching Assistants and Instructors and an increase in the use of other teaching staff, i.e., adjuncts and clinical faculty. These patterns reflect an inability to provide resources for graduate student stipends and uncertainty about placing new faculty into tenure track positions.

In the two-year college sector, the number of Assistant Professors, Instructors, and part-time teaching staff has increased. Since substantial enrollment growth has occurred in this sector, the addition of faculty, especially part-time faculty, would be expected (see Table 8, Appendix C).

Slightly over half of Ohio's public university faculty at all ranks are tenured, which is less than the national norm for public universities (59%).[2]

Governance Structure

The stewardship and governance of Ohio's colleges and universities is in the hands of independent boards of trustees made up of leaders from corporations, community organizations, and local government. Trustees are appointed to university boards by the Governor, and to community and technical college boards by a combination of appointing authorities (e.g., Governor, boards of county commissioners and area school board presidents).

The Ohio Board of Regents, as an agency of state government responsible for planning and coordination of higher education, is charged with "considering the needs of the people, the needs of the state, and the role of individual public and private institutions within the state in fulfilling these needs. . . ." (Ohio Revised Code 3333.04). The nine-member Board, appointed by the Governor, has limited authority regarding the fiscal and operational management of Ohio's colleges and universities.

Goals

The planning responsibility of the Board of Regents has been used to establish broad direction for higher education. A Master Plan for Higher Education has been developed about every five years since the Board of Regents was established in 1963. The current Regents' 1988 Master Plan, ***Toward the Year 2000,*** frames a higher education agenda within four major goals:

1. To develop a first-class system of higher education which is recognized for its consistent, high quality and for its responsiveness to state needs.

2. To assure that all Ohioans are prepared for a lifetime of changing careers.

3. To provide leadership in the development of collaborative strategies for economic and social change.

4. To seek support for a strong financial foundation for excellence in higher education.

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[2] *Ohio data from the American Association of University Professors; U.S. data from Faculty in Higher Education Institutions, 1988. U.S. Department of Education, National Center for Educational Statistics, March 1990.*

The Master Plan outlines several interrelated strategies to achieve these goals. The full development of those strategies has been interrupted by the state's fiscal crisis.

Historical Values: Access, Quality and Efficiency

Access

Perhaps the most consistent public policy issue for higher education over the decades has been access. The State of Ohio has invested in broad student access to colleges and universities in several ways:

- Building colleges and universities within commuting distance of virtually all Ohioans.
- Providing Ohio high school graduates with open admission to the state's colleges and universities.
- Granting funds (Ohio Instructional Grants) to aid those students who qualify on the basis of need.
- Awarding academic scholarships to two graduating seniors from each high school in the state to attend an Ohio college or university of his or her choice.
- Making it possible for students to choose independent colleges as well as public colleges through the tuition differentials provided in the Ohio Instructional and Student Choice Grant programs.
- Allowing students to begin college early by taking college coursework in their senior year of high school through the Postsecondary Enrollment Options Program.
- Establishing college savings programs through the Ohio Tuition Trust Authority and student loan guarantees through the Ohio Student Loan Commission.

State-level efforts to improve access. In addition to these state programs, the Board of Regents has developed strategies to help students, particularly those students previously underrepresented in higher education, move more effectively through the levels of education, from kindergarten through graduate school.

College and university efforts to improve access. For many years, colleges and universities have used a variety of strategies to reach out to prospective students, draw them into the college, and help them reach their educational goals. Although the emphasis historically has been on recruitment, attention has been turning more recently to student retention and completion. This was clearly a pattern presented in the institutional reports, and connects the access of students more closely to issues of quality.

Appendix D provides additional details on state-level and college and university access programs.

Quality

There are about as many ways to define and measure quality as there are colleges and universities in Ohio. On some campuses, quality is defined as "meeting and exceeding the needs of customers;" on others the concept is not as crisply stated.

State-level efforts to improve quality. The Ohio Board of Regents approves all new degrees and degree programs based on minimum quality standards. But there has not been a mechanism for the Board to assess the quality of programs already in place.

In the absence of program review authority, the Board, in 1983, launched its *Selective Excellence Program,* a five-part package to stimulate quality improvement on college and university campuses. The Selective Excellence Program represented the Board's first attempt to *target* funds to a specific statewide goal to be achieved in higher education.[3] One outgrowth of these programs was the identification of a number of characteristics of excellent undergraduate programs through a project funded by the federal Fund for the Improvement of Postsecondary Education (1987-89).

Complementary programs such as the Ohio Supercomputer Center, Ohio Aerospace Institute, and the Edison Technology Centers have stimulated both basic and applied research in Ohio, raising the prospects for economic revitalization. Ohio's investment over several years in instructional and laboratory equipment, attempting to keep pace with changes in technology, has also contributed to qualitative gains within the state's colleges and universities.

The Board of Regents also convened an *Issues Forum* involving faculty and administrative leaders within the two-year college sector, as well as external participants, in the review of major issues central to the development of an excellent two-year college system. Ten issue papers were developed and widely dispersed for internal use in the colleges, leading to many qualitative improvements.

Finally, the Board of Regents recently co-sponsored a conference on the application to higher education of Total Quality Management principles. These principles offer new strategies for optimizing higher education quality.

College and university efforts to improve quality. The Selective Excellence programs have had considerable impact on those academic programs which received the targeted funds and competitive awards. Quality teaching, demonstrated student learning gains, increased external funding for research, and stronger outreach to business and industry are just some of the results.

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[3] A comprehensive evaluation of the Selective Excellence Program is currently being conducted, with results expected in October 1992. Only two of the five programs still exist, Research Challenge and Productivity Improvement Challenge, and most of the appropriated funds for these two programs have now disappeared as a result of budget cuts for fiscal year 1993.

All campuses measure and reward quality – some use more traditional means; others have comprehensive and innovative approaches in operation. Quality has traditionally been determined by accreditation reviews; competitive awards and grants received; numbers of students, amount of space, faculty credentials and reputation, and size of resource pool; and externally validated reputation of programs and colleges. More recently, colleges and universities have incorporated faculty productivity and student achievement measures in their determination of institutional effectiveness, in part as a response to a North Central Association of Colleges and Schools (regional accrediting body) mandate. The assessment process will make it possible for colleges and universities to demonstrate effectiveness of the teaching and learning process and will contribute to the continual improvement of learning experiences for students.

See Appendix E for a description of these state-level and college and university efforts to improve quality.

Efficiency

In 1965, the State of Ohio did two things to establish a foundation for efficiency: created a single instructional subsidy, and allowed colleges to maintain their own treasuries. Appropriating state funds for colleges and universities through a single instructional subsidy, rather than through a series of separate appropriations for different objects of expenditure, such as payroll, maintenance, and equipment, has provided campus managers with at least two incentives to keep unit costs below the statewide average:

- Savings in one spending category, such as reduced utility costs, can be reallocated to a different one, such as adding faculty.

- Savings occur whenever institutional costs are below the statewide average cost experience for the programs offered by the institution.

Allowing colleges and universities to maintain their own treasuries has meant that:

- The institutions were exempted from many of the bureaucratic controls imposed on state agency spending.

- Appropriations unspent at year end could be retained by the institution for use in later years.

In addition to this important foundation, several state-wide management improvement efforts have been launched over the years, with resulting guidelines that have led to improvements in institutional planning, program budgeting, personnel management, computer services, scheduling and registration, program development and review, cost containment, and management development.[4]

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[4] *The Ohio Board of Regents published a series of management reports in 1974 and in 1979.*

State-level efforts to increase efficiency. Several other state-level cost-containment initiatives are in place, including efforts to improve the quality of students attending college. There have been more recent efforts to link colleges and universities through technology and collaboration to avoid unnecessary duplication of resources.

College and university efforts to increase efficiency. The college and university task forces identified many cost-containment efforts that have been made on the campuses in energy management, administrative reorganization, streamlining processes, and bulk purchasing.

Appendix F includes a description of state-level and college and university efforts to increase efficiency.

Unique Features

Several features unique to Ohio shape the cost of higher education and the ability of institutions and the state to resolve some of the issues put before the Managing for the Future Task Force.

- Open admissions. Unlike most other states, Ohio does not have a stratified higher education system with state universities, state colleges, and community colleges, each with different admission criteria. Instead, Ohio has an "open admissions" law which has been generally interpreted to mean that any Ohio high school graduate may be admitted to the public college or university of his/her choice.

- Large number of colleges and universities. Where some states are currently adding campuses to meet student needs, Ohio has in place more than 100 public and independent colleges and universities to serve students. The public campuses are located geographically in urban centers and in rural communities across Ohio.

- An emphasis on technical education. Rather than developing a system of community colleges with a mix of technical and transfer education, as was done in most other states, Ohio invested major resources in technical colleges with programs designed to prepare students directly for the world of work. Technical education programs are more expensive than the transfer programs.

- An expensive structure. Ohio's students compared to students in other states are more likely to be enrolled in a comprehensive university or in a technical program, and much less likely to be enrolled in a baccalaureate transfer program at a local community college. Since Ohio students are enrolled in more expensive programs, or more expensive settings, one would expect the cost per student to be considerably above the national average as well. But per-student costs are at the national average overall (see Figure 14, page 34) and look favorable in peer group comparisons primarily because campus leaders have managed their resources efficiently.

- State support through a single instructional subsidy. Ohio was one of the first states to develop a formula-based operating subsidy for higher education, which has provided college and university managers with incentives to keep unit costs below the statewide average.

- **Decentralization of financial administration.** Unlike many other states, Ohio's colleges and universities are by law permitted to maintain their own treasuries, resulting in less bureaucratic red tape at the state level, and an ability to save funds and retain those dollars in reserves.

- **Record enrollment increases.** While other states have been experiencing enrollment declines that mirror those in the high school aged population, Ohio's public higher education enrollment has increased by 55,000 students in the last five years – at a rate of 2-3% a year. This pattern is expected to continue because of the large number of adults attending the two-year colleges, the institutions with the largest enrollment growth.

- **High tuition and fees.** Because student tuition is the largest source of funding beside state support, the student's share of the cost of higher education grows in direct proportion to the decreases in state funding. State support per student is low. Student tuition is high. The result: Ohio has among the highest public college and university student fees in the nation.

The unique characteristics of higher education in Ohio pose added challenges to finding state-level policies that can be applied equitably or uniformly across all public colleges and universities. Each institution can demonstrate excellent examples of access, quality and efficiency. In terms of student outcomes, however, program effectiveness is neither uniform across departments within each college and university, nor consistent across the state. Every attempt must be made to ensure students receive quality, affordable services, wherever in the state they attend college.

III. THE FACTS[5]

HIGHER EDUCATION REVENUE AND EXPENDITURE PATTERNS

* * *

> *"I hope that over the next few years, as institutions look at their financial capabilities and at their continuing commitments, more institutions will decide not to do a little less of everything, but to do more of some things that they're now doing and perhaps more of others, or as much of others as they're now doing."*
>
> *Robert M. Rosenzweig, President*
> *Association of American Universities, 1992.*

* * *

Ohio's Economic, Social and Political Environment

Economic trends, the political climate, and the value of education to past generations have been important to the shaping of higher education in Ohio. Today, they are creating downward spirals where limited educational opportunities lead to lower income which leads to fewer tax dollars which limit educational opportunities even further.

- ✦ **High Income, Low Tax, Low Service Beginning.** Historically, Ohio has been a high income, low tax, low service state. During the 1950s, Ohio's economy was based on heavy industry paying relatively high wages and facing little international competition.

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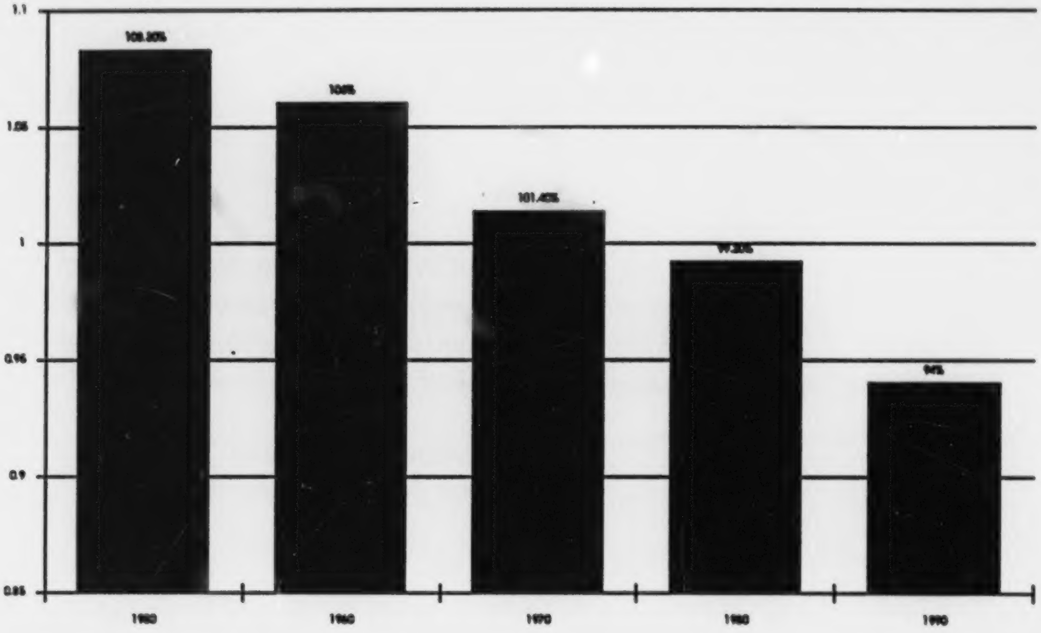
[5] *The facts included here are aggregated to the state level; individual college and university facts may differ.*

Figure 1: Ratio of Ohio to U.S. Per Capita Personal Income



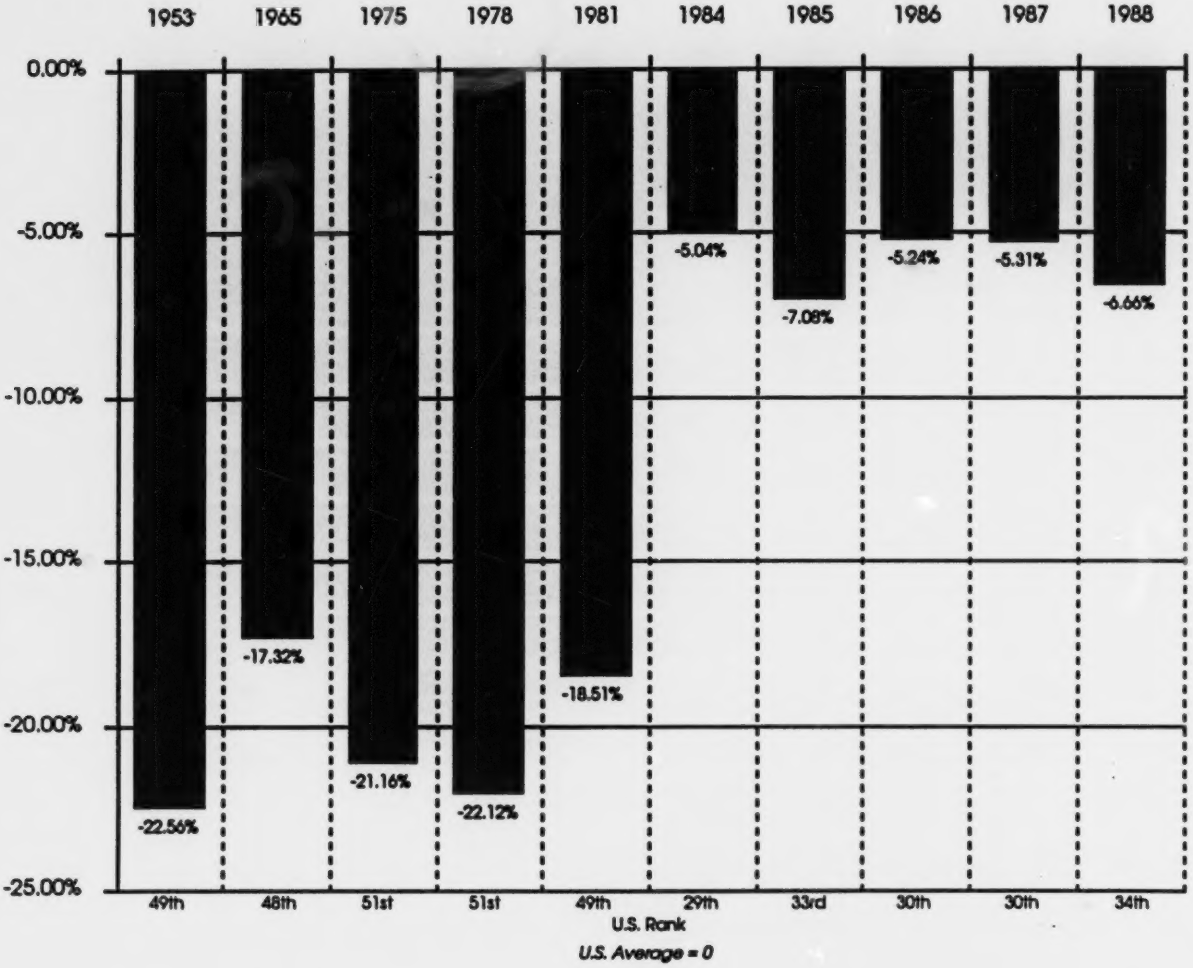
Source: Survey of Current Business, 1990

Ohio per capita income was 8% above the national average in 1950 and more than 5% below the national average in 1990 (Figure 1).

State and local taxes were the lowest in the country as a share of personal income as late as 1978 (Figure 2). Even as late as 1988, Ohio ranked 34th in the nation in state and local taxes as a percentage of personal income.

Higher education was perceived as a luxury, unconnected to economic needs, and the state's investment in higher education has been historically low .

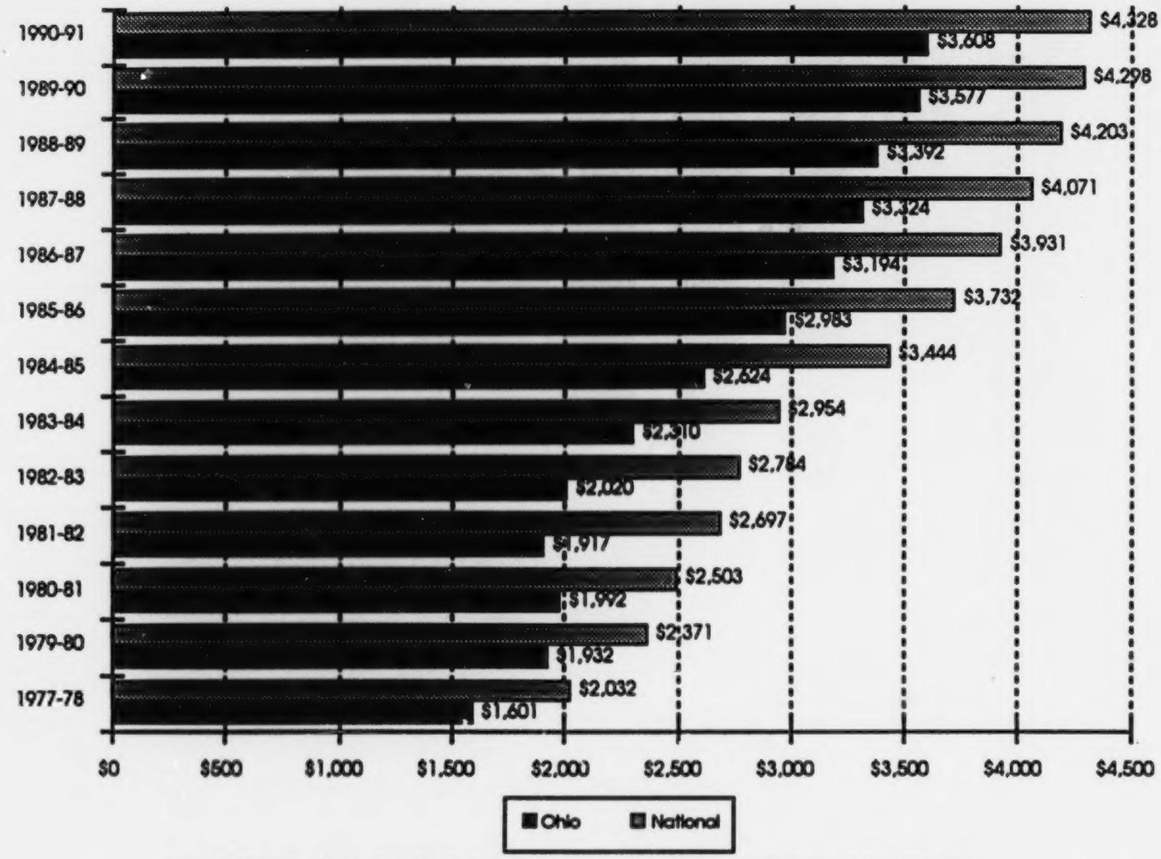
Figure 2: Ohio State & Local Taxes As A Percentage of Personal Income



State higher education appropriations per student have on average been 17-20% below the national average for more than a decade (Figure 3).

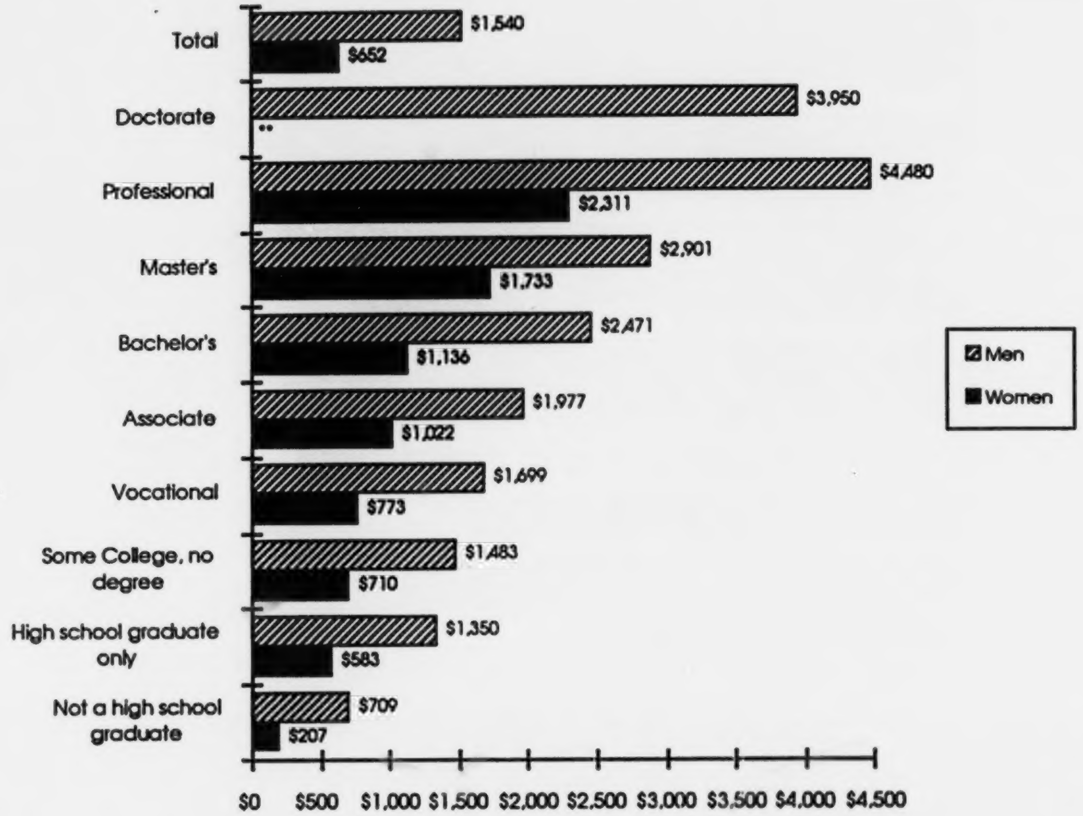
- **Emergence of Competitive, Knowledge-based Economy.** With the world economy placing new demands on American firms, income has become much more closely related to education. The economy increasingly rewards the skills it needs to survive.

Figure 3: Higher Education Appropriations Per Student - Ohio Compared to National Average, 1978 to 1991.



Source: State Profiles: Financing Public Higher Education, 1978 to 1991. Washington, D.C.: Research Associates, 1991.

Figure 4: Mean Monthly Earnings for Adults 18 & Over, by Degree Level; Spring 1987

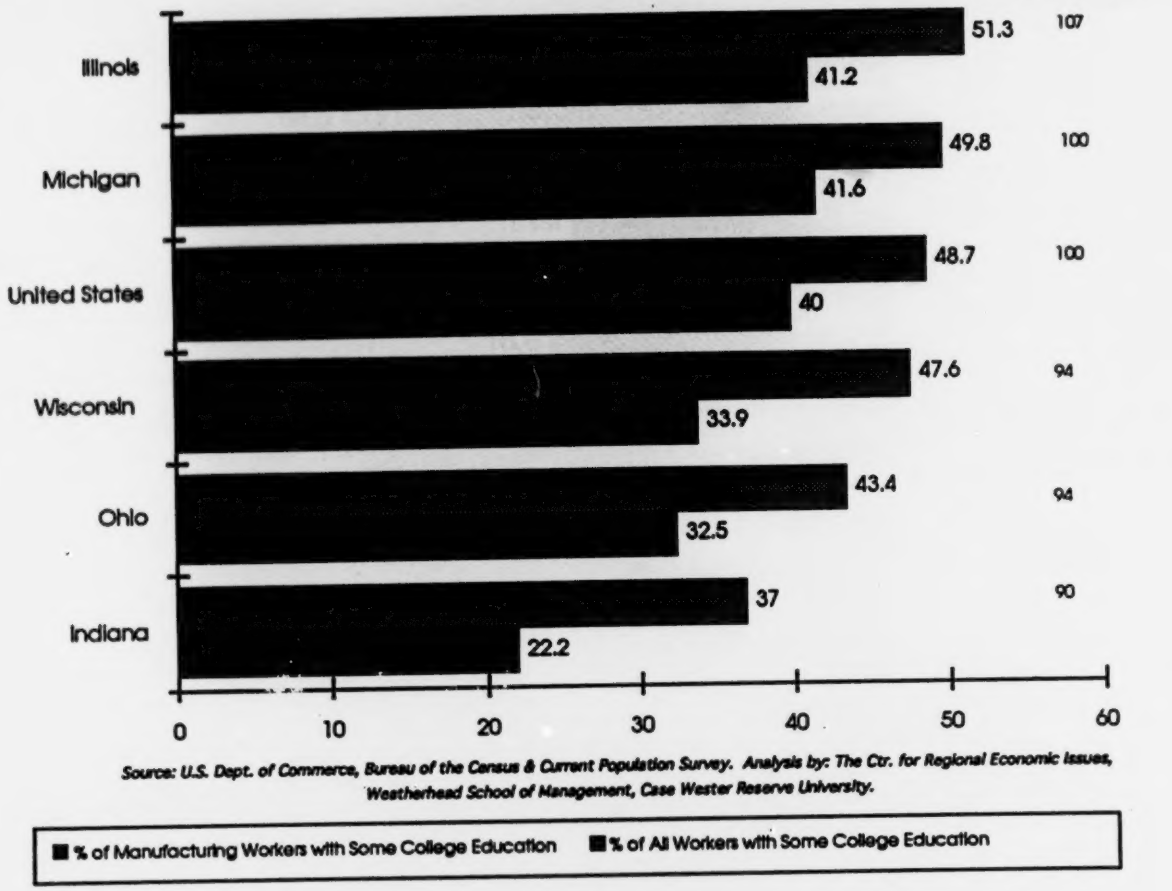


***Note: There were not enough women with doctorate degrees in the survey to list their mean monthly earnings.*

Source: What's It Worth? Educational Background and Economic Status: Spring 1987, Current Population Reports, Series P-70, No. 21.

During the 1980s an individual with four or more years of college (baccalaureate or graduate degree) could expect a higher income level. Even those with only a few years of college were able to avoid the drastic drop in income levels experienced by persons with only a high school education (Figure 4).

Figure 5: Relationship of Education to Per Capita Income in Selected States 1988

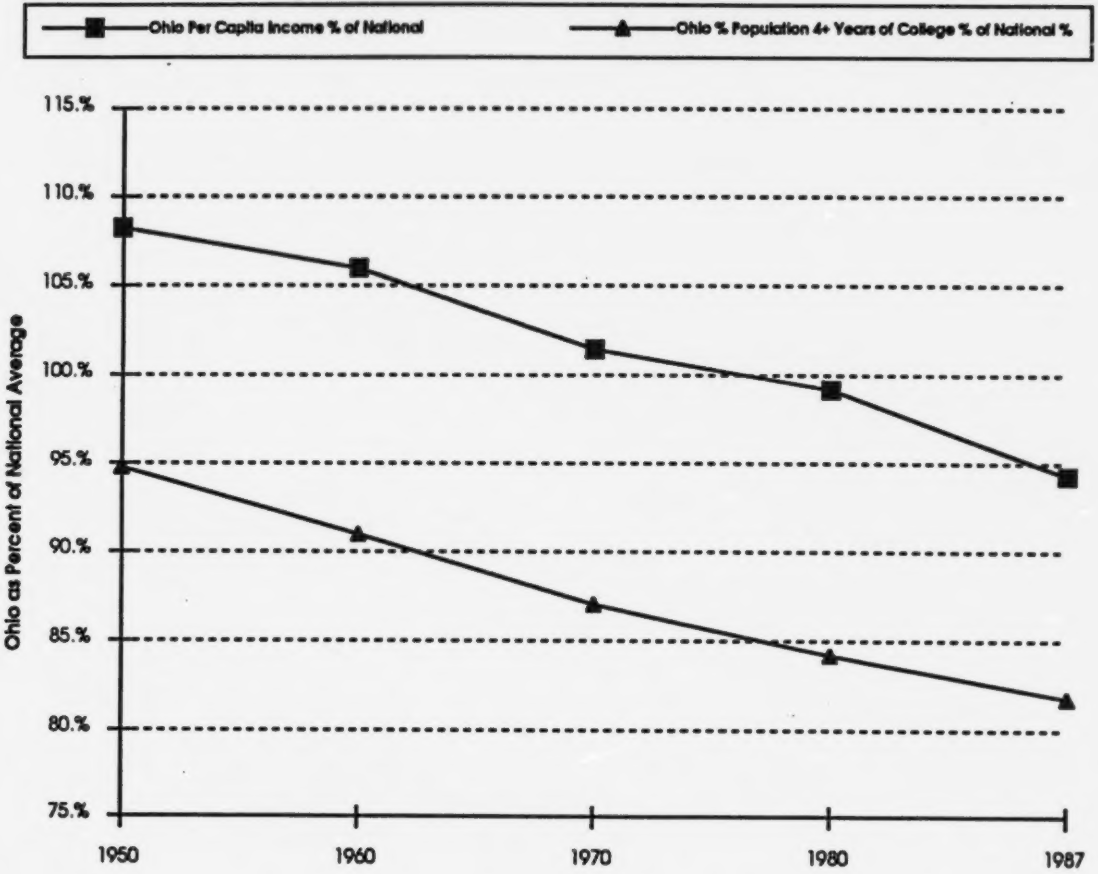


Source: U.S. Dept. of Commerce, Bureau of the Census & Current Population Survey. Analysis by: The Ctr. for Regional Economic Issues, Westherhead School of Management, Case Wester Reserve University.

Midwest states with a higher percentage of workers with some college education also had higher per capita incomes (Figure 5).

Given the low education levels of Ohio adults, per capita income has dropped precipitously relative to the national average. This drop in per capita income reflects a population more dependent on government for support and a society with a lower tax capacity, relative to that of other states. Tax rate increases have been required to compensate for these problems. Ohio is now a state with nearly average, rather than much below average, tax effort.

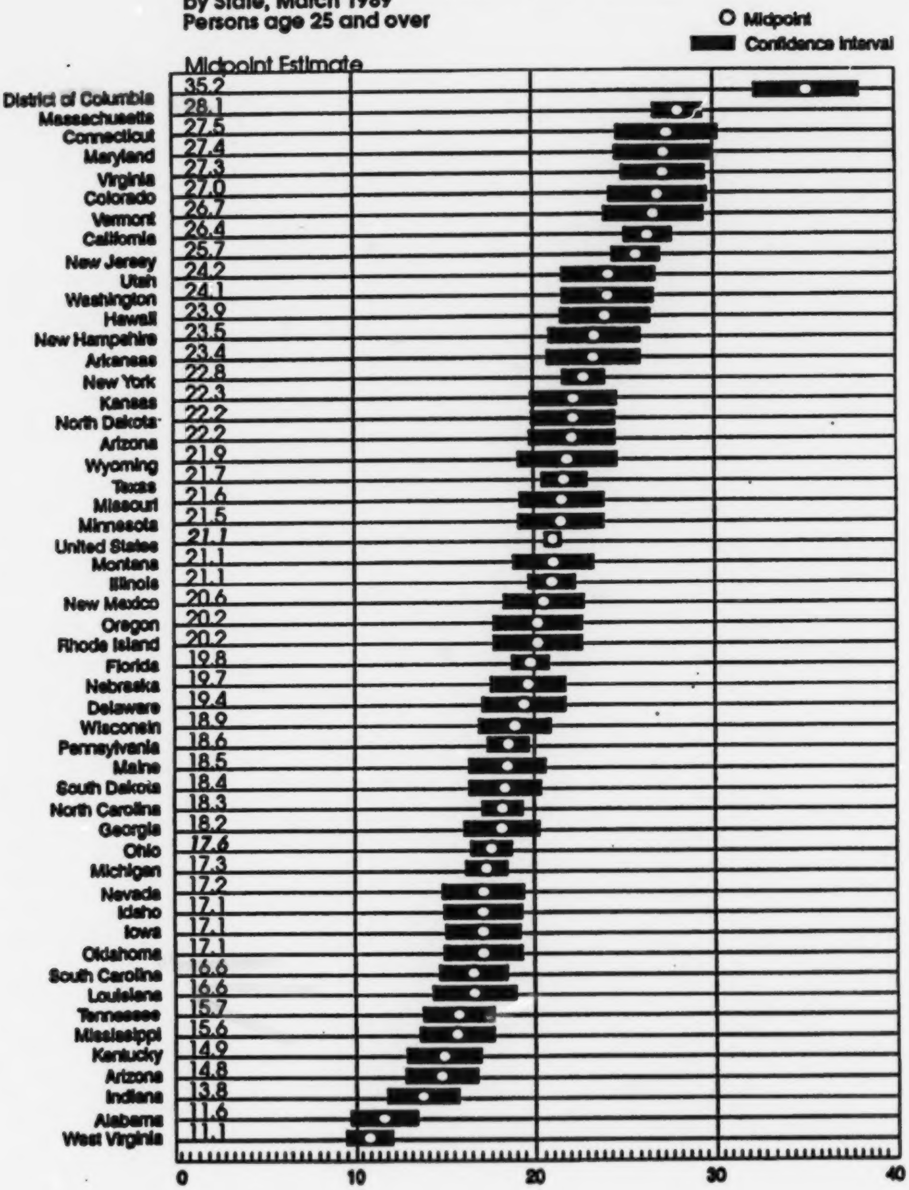
Figure 6: Ohio's Income Gap = Ohio's Education Gap



✦ **Low Education Levels = Low Income Levels in the New Economy.** There continues to be a gap between Ohio's average education level and the national average. Over time, Ohio's income levels and educational levels have declined in almost parallel proportions relative to the national average (Figure 6).

In 1989 Ohio ranked 37th in the nation in the number of adults with four years of college, even though the state is above average in number of high school graduates (Figure 7).

Figure 7
Percent Completing Four or More Years of College by State, March 1989
Persons age 25 and over



As long as the economy rewards educated workers, Ohio's income will continue to slide relative to that of other states. This vicious cycle will produce additional pressure on tax rates to maintain the current, modest levels of service, making real increases in public investment in education more difficult to achieve.

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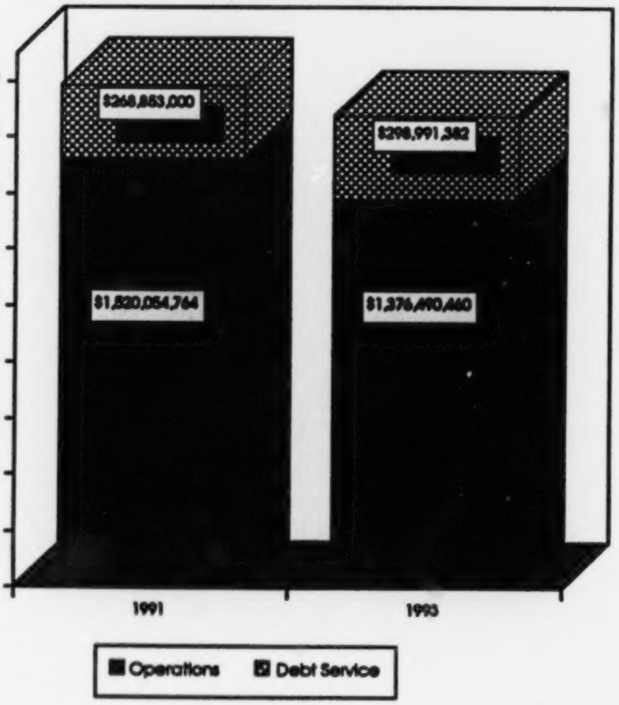
- **Low State Investment in Higher Education Slows Economic Growth.** Low levels of investment in higher education have also produced unusually low levels of research activity. This means that Ohio's economy is likely to remain a traditional one, taking relatively little advantage of newly created knowledge, and that those Ohioans who do achieve high levels of education will be more inclined to migrate to other states with industries that are more advanced. The loss of educated workers makes it more likely that our industries will remain traditional.

- **College is a Necessity, Not a Luxury.** As Ohio's traditional jobs in heavy industry, mining, and agriculture have become less reliable sources of income, college enrollments have begun to increase even though the population of traditional aged students has fallen. Higher education is increasingly perceived as a necessity, especially for adults currently in the workforce who are finding it more difficult to sustain adequate employment. It is those adults, often with rusty or undeveloped academic abilities, who are pushing Ohio's college enrollments up. Serving these students is often more costly than the student just out of high school who has a more current basic education in science, mathematics, and writing.

Figure 8: Ohio State Support of Higher Education

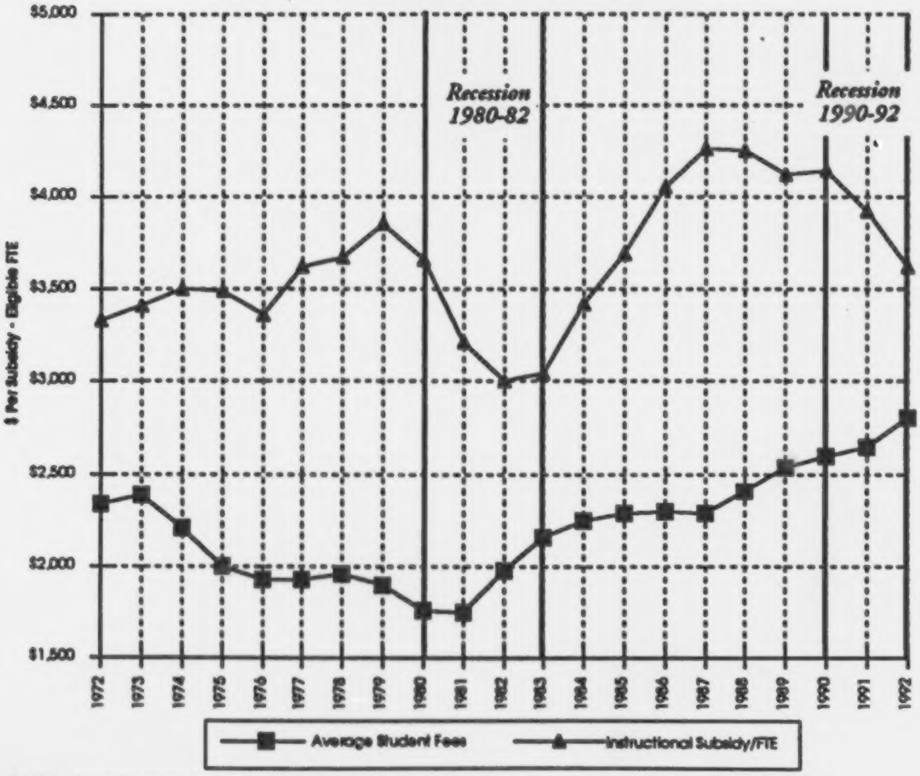
Original FY 1991 vs. Revised FY 1993



- **Higher Education Absorbs Disproportionate State Budget Cuts.** State support (including debt service) for higher education today stands some $144 million below what it was in July, 1990 (Figure 8). The original higher education appropriation for FY 1991 were $1,520,054,764 for operations, $268,853,000 for debt service, and $1,788,907,764 in total. After the executive order reductions announced on July 1, 1992, FY 1993 state appropriations for operations amount to $1,376,490,460, plus $298,991,382 for debt service, for a total of $1,675,481,842. Meanwhile, enrollments have been increasing steadily. During these two years, we expect enrollments to increase by over 16,000 full-time students - more than the entire enrollment of Wright State University near Dayton. Although higher education accounts for roughly 12.4% of the state's spending in any given year, it absorbed 39% of the budget cuts announced on February 1, 1992 ($44.9 million out of the $114.6 million), and 29% of the cuts announced December 30, 1991 ($57.2 million out of the $196 million). Even after a last-minute reprieve from even larger cuts, higher education's FY 1993 reduction, announced on July 1, 1992, was substantially larger and more disproportionate. Higher education appropriations were reduced by $170.2 million which represented 54% of the entire state budget cut. The amount of this reduction is nearly equal to the entire instructional subsidy allocated to all community and technical colleges in FY 1992.

- **Sluggish Economy Pushes Tuition Rates Up.** The sluggish growth in the state's economy, combined with the increases in enrollments, has resulted in significant reductions in inflation-adjusted state support per student for the past several years (Figure 9).

Figure 9: Ohio Higher Education Fiscal History (in 1992 dollars)
Instructional Subsidy and Student Fees



In 1992 dollars, adjusted by the Consumer Price Index   *Fees are unweighted in - state undergraduate average, 4-year schools*

When state support fell in the early 1980s, tuition was permitted to rise to make up the loss. Now, uncontrolled increases in tuition are less acceptable, because higher education is no longer a luxury. As a result, with both major sources of revenue constrained, Ohio colleges and universities are under pressure to reduce already low levels of spending per student to accommodate enrollment growth.

Revenue and Expenditure Patterns in Higher Education

Ohio's colleges and universities are caught in a bind: the number of students is going up and the amount of state and federal support is going down. To complicate the equation, competition from other states and from private industry is driving up personnel costs, state and federal mandates are raising administrative costs, and the changing nature of the student body is increasing instructional costs. So far, this equation has been balanced by higher tuition and cost-cutting strategies. Cost-cutting approaches need to continue even as higher education leaders seek to increase funding levels for higher education. Most importantly, however, higher education leaders and state officials must look beyond the present model for answers.

A number of state and national reports reveal the following trends during the 1980s:

1. Revenues became diversified.

Public higher education has been funded traditionally by federal, state and local governments and the students and/or their parents. Declining federal and state resources in the early 1980s sent public college and university leaders from across the country scouting for other sources of funds.

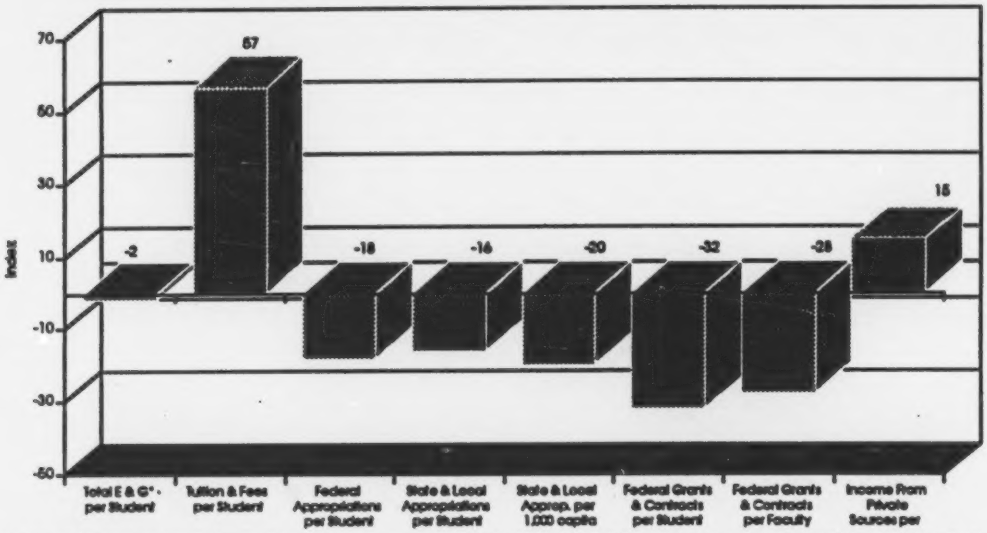
Adjusting for Ohio's mix of institutions, total revenue per student was 2% below the national average. Ohio showed below average revenues from state and local sources; federal grants and contracts; and private gifts, grants and contracts. Tuition and fees as a source of revenues were 57% above average (Figure 10).

When examining revenue streams by type of institution, the variance from national norms becomes more dramatic. (See Table 9, Appendix G).

Federal funding. Federal dollars have funded primarily student financial aid, assistance for developing institutions, and research. Federal budget support to postsecondary education has been declining since 1975 in all areas except research. Those institutions with large enrollments of low-income students have been hard hit by the loss in federal student financial aid funding.

Research spending at the federal level increased each year until 1989 and has been holding steady since that time (Figure 11). Ohio's share of those dollars is just beginning to increase after a history of a very low share (Table 10, Appendix G).

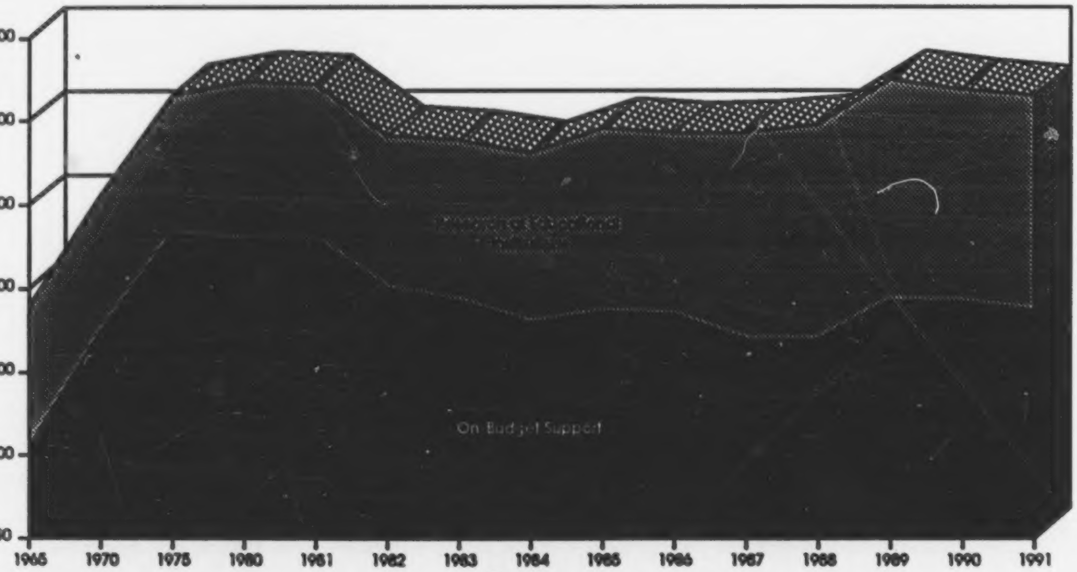
Figure 10: Ohio Revenues By Selected Sources Compared to the National Average, 1988-89



**NOTE: E&G (Education & General) is an accounting category that includes Ohio's I&G (Instructional & General) funds. I&G includes departmental instruction & research, instructional support, academic support, student services, plant operation & maintenance. In addition, E&G includes scholarships, sponsored research & public service monies.*

Indexes are based on U.S. average of 0. Source: State Higher Education Profiles: Fifth Edition (Draft), U.S. Department of Education, OERI, May 1992.

Figure 11: Federal Education Support, Fiscal Years 1965 to 1991 (in millions of dollars)



[1]On-Budget Support includes federal funds for education programs tied to appropriations.
Source: Digest of Education Statistics, 1991. U.S. Department of Education, OERI, 1991.

This leaves the primary sources of funding for higher education in the hands of the state and the consumers (students/parents). The state's contribution has been low historically; the consumer's contribution has been high consistently.

State funding. State funding for the operation of public colleges and universities flows primarily in three ways: instructional subsidy (general base of support); supplemental line items (e.g., clinical subsidies; special programs); and incentive funding (e.g., Selective Excellence). Funding for the construction of new buildings and major renovations is provided through a separate capital budget appropriation. Approximately 70% of the higher education operating budget (approximately $3.5 billion/biennium) is distributed through the subsidy formula, about 3% (1% this biennium) of this amount has been provided through incentive funding based on specific performance criteria, about 16% is used to service the bonded debt incurred on capital projects, and the remaining 10-12% is allocated through supplemental line items, most of it for student financial aid.

Dependence on state resources varies by sector and by institution, but the State of Ohio provides less than half of the instructional and general revenue that supports public colleges and universities. (See Tables 11 and 12, Appendix G, for details.)

Total state support (excluding debt service) per student has eroded over the past five years. Per-student support, adjusted for inflation as reflected in the Consumer Price Index, has already dropped from $5,144 per student in fiscal year 1988 to $3,965 per student in fiscal year 1993 (Figure 12). This translates into a loss of nearly 23% in the inflation-adjusted state support per student since FY 1988.

Local funding. State and local taxes in most states have covered about two-thirds of the cost of attending a public university, community or technical college, with the remaining one-third provided by students/parents. Ohio universities receive very little local support, and only five community colleges and one technical college receive funding from local taxes.

Student tuition and fees. Nationally, tuition and fees increased at a rate between two and three times the rate of inflation during the decade of the 1980s. In Ohio, student fees rose by 61% in public universities and 48.6% in public two-year colleges over the past decade (Figure 13). Ohio has the fourth highest public two-year college fees and seventh highest public university fees in the nation.

Figure 12: Ohio $/FTE Student, Inflation-Adjusted (in 1992 dollars)

Total State Support

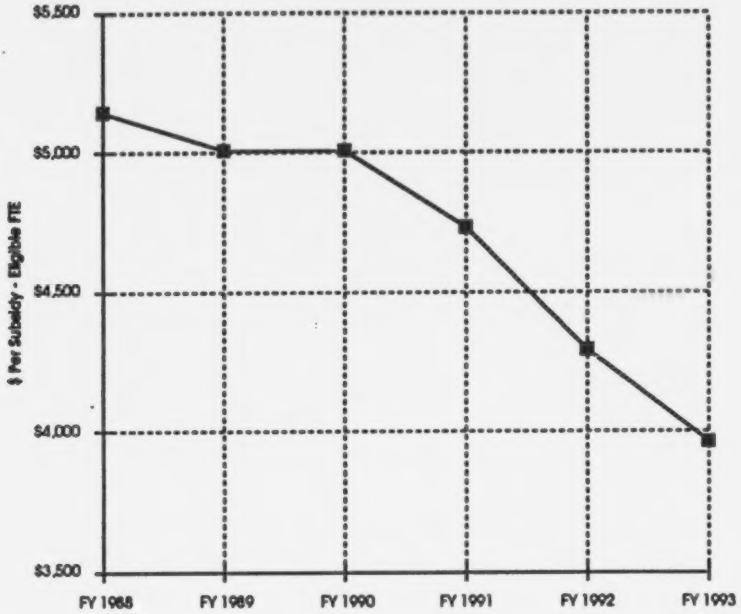
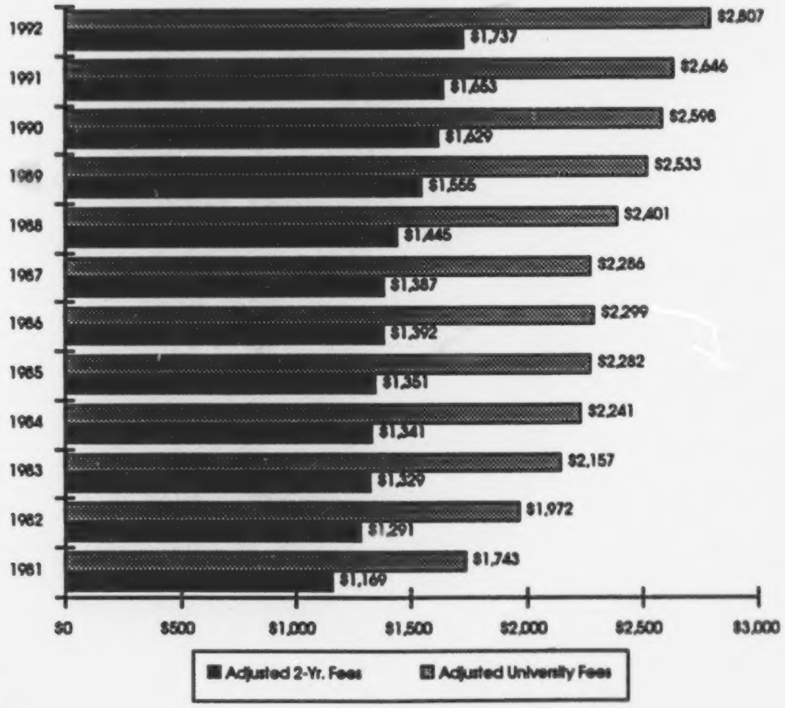


Figure 13: Ohio's Tuition Increase by Sector

Historical Instructional & General Fees Adjusted for CPI Inflation (in 1992 dollars)



Other funding sources. Ohio public colleges and universities have been driven increasingly to other sources of funding when state resources are inadequate to fund current enrollments. These sources include private foundations, alumni, corporate sponsored research and student aid programs, and expansion of auxiliary services.

It is of interest to note that Ohio's medical schools had collective budgets of $1,074,000,000 in 1990. The educational subsidies through the Ohio Board of Regents for all the medical schools in Ohio is $145,000,000 or 13.5% of total expenditures of Ohio's medical schools. Thus, it is clear that in health education increasing non-state resources are being used to fund the total medical schools' missions across Ohio.

Absent higher budgetary priority, increasing pressures on state budgets in Ohio and elsewhere make it likely that public higher education will continue to operate within constrained resources, even as the importance of a college education becomes more clear. Our report offers suggestions for the restructuring of higher education to reduce the cost of providing quality education. However, it is not possible to offset very large reductions in state support through such measures. In the long run, the price of public higher education seems destined to increase substantially if state support continues to dwindle.

As the price of public higher education rises, fewer and fewer families will be able to pay for it from current income. Most will find it increasingly necessary to spread the cost of higher education over many years. Where possible, it is preferable to accomplish this through family savings before the college years. Families should be encouraged to develop a habit of regular savings for college. They may want to consider such programs as the advanced purchase of tuition credits from the Ohio Tuition Trust Authority or U.S. Savings Bonds, which are now tax free when used for college by middle income families.

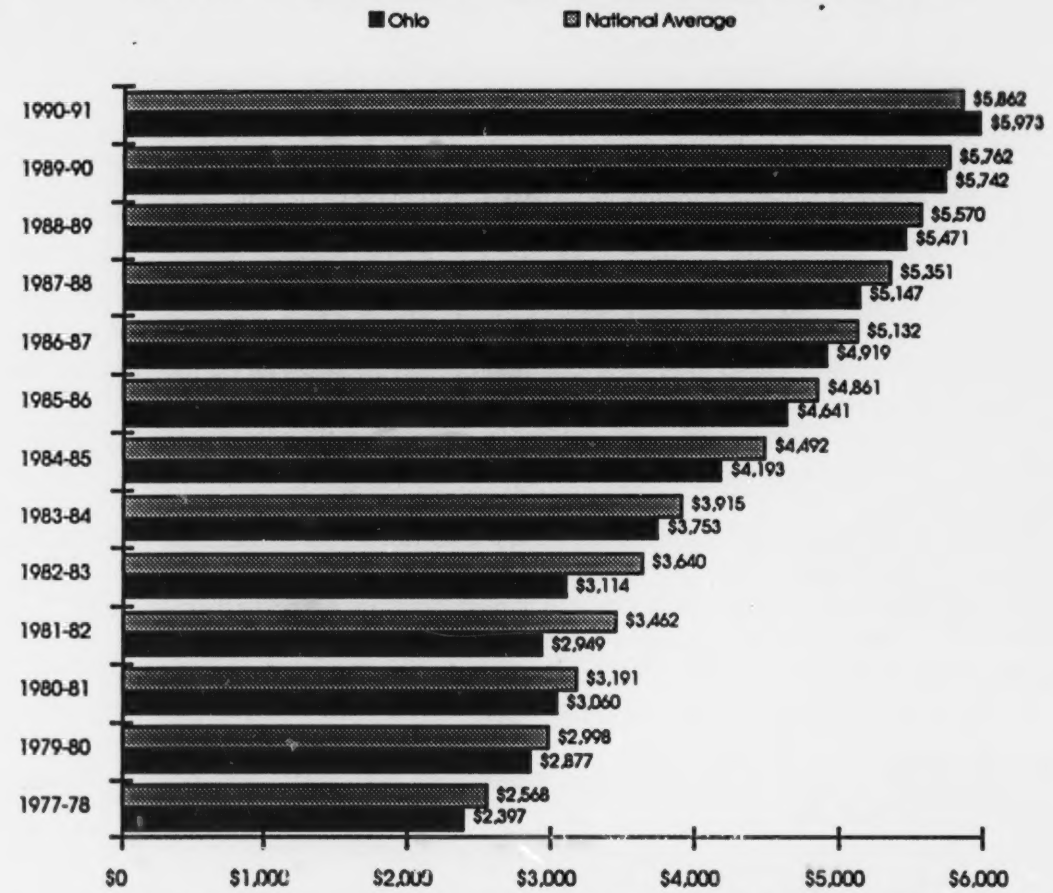
To the extent that accumulated savings and current income are inadequate to meet college costs, borrowing becomes a necessity. Arbitrary limits now imposed by the federal government on borrowing by middle income families will have to be raised to reflect increasing charges to students. Federal policy seems to be moving in this direction.

2. Costs rose above inflation.

Throughout the 1980s, higher education costs nationally grew at rates far above inflation, however measured, and above rates of increase in personal income. Administrative staff increases and faculty compensation were the two factors most often cited nationally as cost drivers.

Figure 14: Total Spending Per Student*

*Ohio Public Colleges & Universities Compared to National Average, 1977-1991***



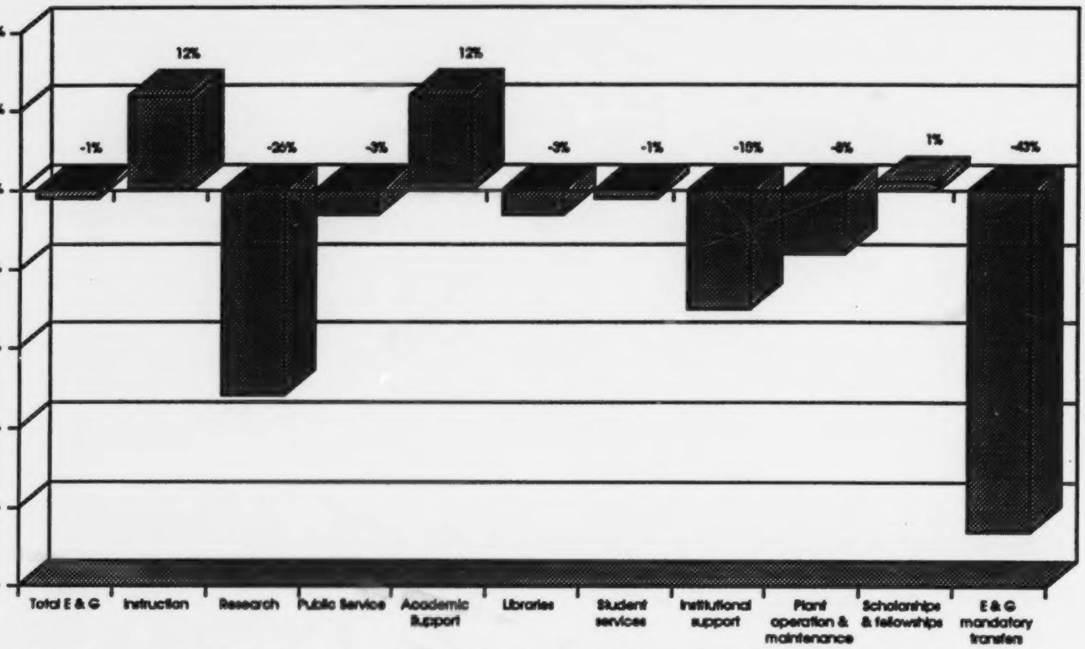
Source: State Profiles: Financing Public Higher Education, 1978-1991. Washington, D.C. Research Associates, 1991.

*Total spending per student = education appropriations & net tuition per student. **Adjusted for Ohio's mix of colleges & universities.

Ohio's recession of the early 1980s was deep and long-lasting. Colleges and universities were not funded during those years at a rate that kept pace with inflation, so the increased levels of funding in the late 1980s were used primarily to make up lost ground. Nevertheless, Ohio institutions have managed to hold costs below national norms and those of peer institutions (Figure 14).

Expenditures per student. Inflation-adjusted expenditures per full-time equivalent student, across all sectors of higher education in Ohio, have grown in all budget categories over the past ten years. The expenditure patterns differ by type of institution, reflecting differing mission emphases (see Tables 13 and 14, Appendix G).

Figure 15: Ohio Expenditures per FTE Student by Public Institution
1988-89
Compared to National Average



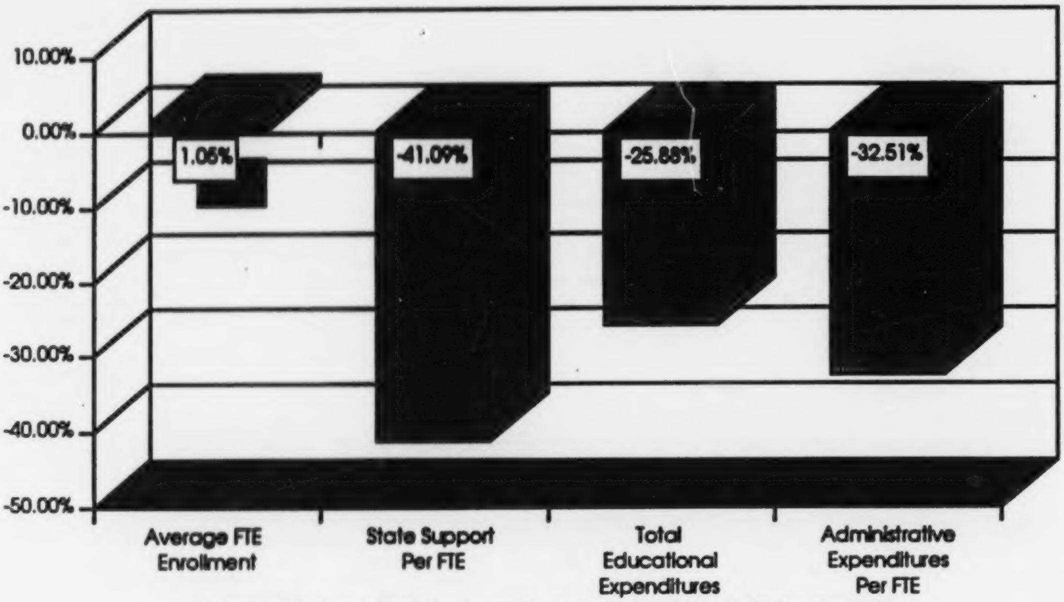
Indexes are based on U.S. Average of 0.

Source: State Higher Education Profiles: Fifth Edition (Draft), U.S. Department of Education, OERI, May 1992.

Aggregate measures of higher education spending per student tend to place Ohio marginally below the national average, even though Ohio students tend to be enrolled in more expensive settings and programs (Figure 15). Spending per student in Ohio public institutions is above average in instructional categories (direct instruction, academic support, libraries) and below average in administrative (institutional support) and student services categories. Ohio has chosen to direct its resources to instructional costs. Note that the relatively low E&G (Education & General) mandatory transfers, (i.e., debt service) reflect Ohio's practice of financing capital improvements centrally, rather than at the institutional level.

Spending per student was well below average for doctoral institutions in most categories of spending, with particularly low levels of spending for research. Spending per student on two-year campuses was similar to national averages, perhaps reflecting the more heavily technical curriculum offered in Ohio (see Table 15, Appendix G).

Figure 16: Ohio Percentage in Relation to Regional Average, Doctoral Granting Institutions



Data Compiled by John Minter Associates from U.S. Department of Education data

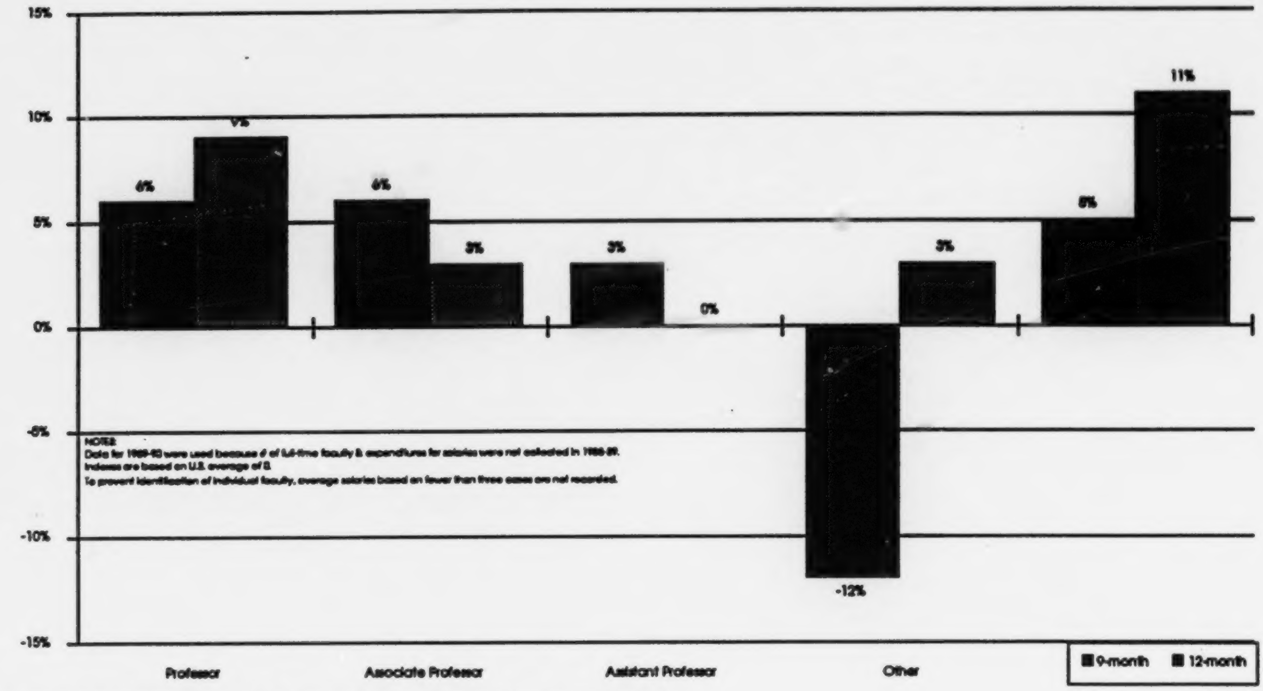
Additionally, the 1988-89 data for 13 contiguous states show that total expenditures per student in doctoral granting institutions were 26% below the average of the other states, administrative expenditures per student were 33% below the average, and state support per student was 41% below the average (Table 16, Appendix G).

Staffing patterns. Ohio colleges and universities reported that their single largest expenditure is personnel, representing on average about 80% of their operating budgets. The rate of growth of administrative and support staff has exceeded the rate of growth in faculty and students (Table 17, Appendix G). College and university task force reports cited many reasons for the increases in administrative costs, which are summarized in the section of this report on "cost drivers".

3. Faculty compensation was readjusted.

While inflation-adjusted compensation of faculty and administrators grew at high rates nationally and in Ohio in the early 1980s, it grew more slowly than compensation of people with similar backgrounds outside the academy. Faculty salary increases were needed to offset precipitous declines in the 1970s. (Today's faculty salaries are still below 1970s adjusted purchasing power.)

Figure 17: Ohio Average Salary, Full-Time Faculty - 1989-90



NOTES:
Data for 1989-90 were used because # of full-time faculty & expenditures for salaries were not collected in 1988-89.
Indexes are based on U.S. average of 0.
To prevent identification of individual faculty, average salaries based on fewer than three cases are not recorded.

Source: State Higher Education Profile: Fifth Edition (Draft). U.S. Department of Education, OERI, May 1992.

Compared to national norms, faculty salaries for Ohio's public colleges and universities are at the average for professors, associate and assistant professors (Figure 17). (See Table 18, Appendix G for additional details by sector and rank.)

4. Tuition charges were increased.

Increases in costs were closely connected to increases in tuition to pay for those costs. Overall, tuition and fees increased at a rate between two and three times the rate of inflation during the decade of the 1980s. Until four years ago, Boards of Trustees had the freedom to raise student fees as necessary to balance budgets, and they acted responsibly in carrying out their duties. Restrictive tuition caps have since been legislated and the Trustees' responsibilities to balance college and university budgets have been, *de facto*, removed.

5. Cost containment strategies were developed.

The strategies most commonly used during the 1980s to control costs were: improving the use of technology, increasing the use of part-time faculty, reorganizing the administration, cutting budgets institution-wide, deferring maintenance, establishing cooperative programs, and eliminating academic programs. Increased use of part-time faculty, delayed construction, and institution-wide budget cuts were reported to have had the greatest impact on the ability to control costs.

Colleges and universities instituted various management procedures during this time period, such as improved/automated budget processes, strategic planning, management information systems, use of outside consultants, and external budget reviews. (See Appendix F for sample cost-cutting strategies used in Ohio's colleges and universities.)

Cost Drivers

The campus level managing for the future task forces provided us with specific causes within their institutions and at the state level for rising costs. We also included some cost drivers we identified from a state-level perspective. Examples include:

1. Administrative Staffing

- Expanding services and mission. Each college and university has tried to meet increasing demands for services from students, alumni, faculty, communities, and state and federal governments while federal and state higher education resources decline. Many of these expanded services are mandated without the resources to carry them out. This has resulted in what some have called "mission drift" – extending services and resources beyond the functional mission of the institution.

- Sustaining and enhancing quality. Many of the campuses have sharpened their focus and redirected resources to build "centers of excellence" – programs that are recognized as the best in the country or, in some cases, the world.

- Meeting the needs of a changing student population. Even though a college-preparatory curriculum has been in place in Ohio high schools since 1981, approximately 20% of the college freshmen who enter directly from high school are placed in remedial mathematics and English. Almost three-fourths of the adult students enrolling in college need some developmental or remedial assistance. The small class sizes, tutorial assistance, and learning laboratories needed to improve the academic abilities of these students drive up institutional costs.

- Staying current with technological change. Computer hardware and software become obsolete almost when they are installed. Sophisticated laboratory equipment for science programs, research and health related fields must be current and adequately maintained. Also, equipment used in technical programs must be at the cutting edge to represent that used in industry. Staying current, both in terms of technology and the staff to operate the equipment, is costly.

- Responding to mandated reporting requirements. Mandated compliance reports have escalated over the last several years, particularly reporting requirements of the following federal legislation:

  - Resource Conservation and Recovery Act (environmental regulations).
  - Rehabilitation Act of 1973, Executive Order 504 (educational services and programs for the disabled).
  - American Disabilities Act of 1990 (additional requirements to serve the needs of the disabled).
  - The Immigration Reform and Control Act of 1986.
  - Title V of the Federal Anti-Drug Abuse Act of 1988 and the Drug-Free Schools and Community Act Amendments of 1989.
  - The Student Right-to-Know Act.
  - The Campus Crime Act.

  Examples of some state reporting requirements include:

  - Court-ordered child support payments remitted to courts, and reporting of changes in income.
  - Earnings records subpoenaed for Domestic Relations Courts when they are also on file at the Ohio Bureau of Employment Services.
  - Refiling of specific information requested by the Civil Rights Commission when it is already reported yearly to the Commission.
  - Filing Selective Service registration status of male students.

- Raising additional revenues. Staff have been added and funds expended to raise revenues through external grants and contracts, endowments, auxiliary services and local tax levies.

- Maintaining adequate facilities. Renovations, repairs and general maintenance of the campuses were curtailed in the 1980s when funds had to be diverted to protecting the academic core during the last recession. Only in the last five years have the campuses begun to catch up on deferred maintenance.

- Protecting the health and safety of students, faculty and staff. A variety of campus safety and security programs and mandated health education programs and services (e.g., prevention of substance abuse and sexually transmitted diseases) have been added in recent years.

- Engaging in increased litigation. Campuses have been facing added legal costs due to contractual obligations, costs associated with collective bargaining, and an increasingly litigious society.

- Supporting inter-collegiate athletics. The costs associated with intercollegiate athletics have risen as a result of competitive aspirations of university and college supporters and federal requirements to provide equal access to sports programs by men and women. Athletic-related revenues are often insufficient to cover the cost of the entire intercollegiate athletics program and student fees are often used to offset those deficits (Table 19, Appendix G).

2. *Faculty Productivity*

In Ohio, over the past ten years faculty time devoted to teaching and student advising has decreased somewhat, while time devoted to research has increased (Table 20, Appendix G). Faculty course sections assigned each term have not changed in the aggregate, but the average "student credit hours taught" (credit hour value of the course times the number of students enrolled in the course) has decreased by 10% (Table 21, Appendix G). This would indicate either that faculty are teaching courses with fewer students than in the past and/or they are spending their time on the research and service contributions that make up the balance of their work assignment.

Compared to national norms, however, time spent on teaching in Ohio's colleges and universities remains slightly above average, and time devoted to research and service is slightly below average. This reflects the historical emphasis in Ohio on undergraduate education, and a relatively recent (last 15 years) emphasis by the universities on graduate education and research.

Misconceptions exist as to the value of research for teaching programs and the general financial support of colleges and universities. Externally funded research pays faculty and staff salaries and provides indirect costs to support the overall research efforts of the faculty member's department or university. The funds recovered from indirect costs enable universities to recruit outstanding faculty who add to the undergraduate teaching effort and play a major role in graduate education.

It is at the graduate level where students receive their major experience in the laboratory setting. In addition to the traditional scientific laboratory, research may occur in other settings such as farms, hospitals, offices, libraries, or industrial shop floors where everyday problems are encountered. Thus, applied research is important to the quality of education on campuses and is often a component of the assigned workload of faculty.

In an effort to find out if teaching and research responsibilities of faculty were in balance, we commissioned a special committee to study the role of faculty and the factors that contribute to their work load. The Committee found that faculty workload in Ohio mirrors national norms generally, but there was not enough data to determine if the patterns were consistent from campus to campus. The Study Committee indicated that institutional missions and reward systems were the main determinants of how faculty time is assigned at the departmental or institutional level. The Executive Summary of the Committee's full report is included in Appendix H.

3. *State-level Policies and Procedures*

Our task force members, especially those from business and industry, were astonished at the amount of government regulation with which colleges and universities have to contend. We focussed on several state-level policies or procedures that were driving costs up on college and university campuses, including the following:

✦ Debt on capital construction projects. In the 1993 operating budget for higher education, debt service for capital projects already in existence will total $299 million (16.1%) of the nearly $2 billion total for operations. State-supported physical plant operating allowances are expected to total $293 million. The total scope of these two aspects of higher education capital facilities, therefore, is about $592 million (Tables 22 through 24, Appendix G).

Debt service has doubled in the last decade as a percentage of the operating budget. The growth is attributable to several causes:

(1) Size of the overall physical plant that needs to be renovated and maintained;
(2) Increase in the number of community projects supported in the higher education capital budget;
(3) Added cost to projects not completed on time or within the original budget;
(4) Higher education bonds have not yet begun to mature (each new bond sale simply adds to debt service costs); and
(5) In 1980, the state decided to reduce future borrowing costs by selling 15-year bonds rather than 25-year bonds. This required increased principal payments in the 1980s, but will pay off in lower interest costs in the late 1990s.

Research facilities and laboratory space have been the fastest growing capital expenditures, a factor judged important in attracting faculty and students to Ohio institutions because of the quality of research facilities available. At the same time, however, additional classroom space is needed for those institutions, particularly community and technical colleges, which have had substantial enrollment growth over the past five years.

The current budgeting system for higher education facilities is centralized. Debt service costs for all projects authorized in the capital bill for higher education are funded from a single line item in the state operating budget. Funds to operate and maintain higher education facilities are allocated to institutions by a formula based on square footage. As a result, the costs of building, renovating, and operating higher education facilities are made at a state level rather than at an institutional level. This is in contrast to general experience in higher education, which has shown that decisions made at an institutional level, with the institutions bearing the responsibility for and enjoying the benefits of those decisions, provide for much greater efficiency.

- Capital design and construction process. Capital design and construction projects for state community colleges and universities must be cleared through the State Architect's Office for approval and contracting. Over the past several years, this process has been so slow that projects have had to be extended in time and in cost, resulting in millions of dollars spent unnecessarily. The Ohio Department of Administrative Services is redesigning the process to be more efficient and effective.

- State personnel policies that prevent necessary reductions in staff. Several of the campuses reported that state personnel policies are not flexible enough to allow for fair and humane separation of employees due to lack of revenues. Because the institutions are unable to extend health benefits or grant severance pay to furloughed employees, they often keep them on the payroll until they are able to find other employment. In addition, employee salaries are often ratcheted up from one institution to another through organized collective bargaining.

4. *Program Duplication*

From the time the Board of Regents was created (1963) until now, 57 public campuses have been added to the original six state-assisted universities that were in place in Ohio. Several of these campuses existed as independent colleges prior to the designation as state universities. Thus, many programs at the undergraduate, graduate and professional levels were "grandfathered," resulting in multiple programs across the state within the same subject-matter field.

The Board of Regents was assigned the responsibility to approve all new degree programs in all public and independent colleges and universities as a mechanism to ensure basic quality, demonstrate need for the program, determine the impact of new programs on state resources, and to avoid ***unnecessary*** duplication. And, while the Board has taken this responsibility very seriously, there has been a delicate balance between the duplication of programs already in existence and allowing developing institutions to create new programs in response to the needs of their communities.

Program duplication is more of an issue at the graduate level than in undergraduate education. Associate and baccalaureate degree granting institutions need a wide array of programs to meet the needs of their students and communities. There are some areas in the state, however, where undergraduate institutions are located close to one another and unnecessary duplication has become an issue for Board of Regents intervention.

Program duplication is not inherently bad. There are some cases where strong programs across the state have provided a solid foundation for economic development purposes (e.g., chemistry). There are, however, some programs, particularly at the graduate level, which are needed only on a statewide or inter-state basis (e.g., Veterinary Medicine), some that are needed only on a regional basis (e.g., Engineering, humanities programs), some that are needed at the local level (e.g., Business, Nursing, Education), and some that are needed within a university to help sustain undergraduate programs (e.g., graduate programs in English provide instructors for the many course sections at the freshman and sophomore levels). Currently, there is no system in place to sort out among existing and proposed programs where duplication is a strength and where it is unnecessary and which programs should be provided only on a statewide or regional basis and which ones should be consolidated or eliminated to create higher quality, a greater number of graduates, and to reduce costs.

Once new programs have been approved, the Board of Regents has no authority to revisit programs to determine if an existing program in one area of the state that may be of lower quality and provide a smaller yield should be eliminated to make way for a new program which is judged to be of higher quality and more strategically located. As a result, the issue of "program duplication" is a recurrent one.

Much has been discussed about duplication of medical schools in Ohio or an excess number of M.D. graduates from Ohio's medical schools. Ohio's seven medical schools are an example of unique resources available to Ohioans located strategically across the state. Each medical school in Ohio is located in a metropolitan area and provides health education programs and health services on a regional basis in association with other universities and colleges. However, the demand for physician graduates across the state and nation continues to be extremely high especially in all areas of primary care and selected areas in subspecialty care.

Ohio's public medical schools enroll 85-95% Ohioans for their first-year class and through the special support from the Ohio General Assembly for primary care programs, have emphasized public access to health care. However, both federal funding as well as limited state resources for primary care have supported increased subspecialty education at the medical schools and their teaching hospitals. Recent decisions by Health and Human Services at the federal level have further emphasized subspecialty care by influencing reimbursement funding for subspecialty services at the expense of primary care. Ohio needs an increasing emphasis on primary care as do other states in the nation. Therefore, legislative action, both federal and state, is needed to support this development.

Given the fact that many qualified Ohioans are still unable to enter an Ohio medical school because of competitiveness for first year positions, it seems unwise to limit access to the schools resulting in Ohio's citizens having limited opportunities for entering medical education. Such reduction of opportunities for Ohioans will result in their going out of state for their education or seeking their education in foreign medical schools. The unique facilities of Ohio's medical schools should be called upon increasingly to play an active role in the health service programs that might be made available to citizens of Ohio.

Ohio's regionalized system of medical education has been highly effective, but new developments in educational technology and biomedical research as well as the expanded challenges presented by the cost of modern health care, makes this an appropriate time for the medical colleges to extend their existing collaborative efforts to a new, more active and more comprehensive stage. Expansion and cooperation can strengthen the graduate professional programs and all of health education.

5. Ineffective Use of Resources

- Paying for the same services twice. Remediation of college students who recently graduated from high school is costly and results in paying at the college level for something for which the schools should be accountable. A decade's work on this problem by the Board of Regents and State Board of Education has resulted in some improvement, but 20% of the recent high school graduates still need remedial work in mathematics and English before they can continue successfully in their collegiate studies.

- Co-located campuses. There are seven areas of the state where a university branch campus, which offers the first two years of a baccalaureate program, and a technical college, which offers career training programs, are located side by side on the same property. Each charges different fees and operates with separate administrative structures and academic programs, but they both serve similar types of students. As these campuses have evolved, there have been some attempts to share facilities, staff and programs, but over the years competition and conflict have hampered their collective ability to serve the diverse needs of their students and communities.

  Because of mission differences of the two institutions, the technical college responds primarily to the needs of the community, while the university branch campus responds primarily to the outreach needs of the university. The technical college is separately governed and can respond rapidly to the community; the branch campus is governed by the university, and response time is often slowed by chain of command.

  We learned of cost savings that could result with the elimination of duplicative administrative functions and academic programs that exist between the shared campuses. More importantly, however, we learned that significantly more students could be served in the seven communities if affordable, accessible, comprehensive programming were available on these shared campuses.

- Adult job-training. For at least a decade there has been growing overlap in adult education and training services provided by the state's two-year colleges and area vocational schools. As high school vocational enrollments have declined over the years the schools have tried to expand their markets to serve adults. Many of the vocational schools and technical colleges are located adjacent to each other where more effective use of facilities, equipment, and resources could be made through better coordination and assignment of responsibility.

- Duplicative state and federal research assurances and compliance documentation. Colleges and universities receiving grants from federal and state agencies often have to submit two sets of compliance documents and assurances, as well as be subjected to state and federal monitoring, reporting, and auditing of the grant. Both processes often include the same information, but in a different format, creating added overhead costs.

- Duplicative state and federal data reporting. The Ohio Board of Regents maintains a data base used for calculating the subsidy formula; the data are compiled from campus reports on computer tapes. At the same time, colleges and universities are required to file similar data with the Integrated Postsecondary Education Data System in the U.S. Department of Education. The two reporting formats are different enough that two separate reports of the same data often need to be generated.

- State monopoly of services. State law requires that the colleges and universities purchase the services of the Auditor of State and the State Attorney General. These services are not always provided at a price competitive with services the colleges and universities can purchase in their communities.

The facts illustrate that higher education in Ohio has received less federal and state support than the national average, and that the students' share of the cost of their college education is significantly higher than average. Yet, even with a large, expensive higher education structure, colleges and universities have been able to keep total costs consistently below average.

With the help of the college and university task forces, we have been able to identify many of the factors at both the institutional and state levels that have driven up costs. Our recommendations for long-term cost-containment strategies follow.

IV. THE RECOMMENDATIONS AND CONCLUSIONS:

MANAGING FOR THE FUTURE

* * *

"If we can learn to anticipate the future better, we need not fear it. In fact, we can welcome it, embrace it, prepare for its coming, because more of it will be the direct outgrowth of our own efforts."

Joel Arthur Barker
Future Edge, 1992.

* * *

Needed: A Higher Education *System*

It is clear from the evidence provided that the demand for higher education is increasing dramatically while the state's ability to adequately support its colleges and universities is declining. It is also clear that acceptable quality levels are in serious jeopardy without adequate funding. The colleges and universities cannot be "everything to everyone". The Board of Regents, in consultation with state elected officials and college and university leaders, needs to establish vision and priorities for the use of state dollars directed to higher education and to ensure student accommodation to the greatest degree possible.

The state higher education system must be structured to achieve both economies of scale and qualities of scale. While there may be short-term costs associated with the recommendations that follow, the long-term benefits will accrue from higher quality, productivity, efficiency and effectiveness in meeting the educational needs of Ohioans. We believe the system must:

1. Meet the diverse needs of students and optimize their achievement,
2. Assure excellence in academic programming,
3. Increase productivity and reduce costs,
4. Ensure accountability,

5. Strengthen leadership and management effectiveness, and

6. Secure resources to make higher education affordable.

In order to achieve these priorities, the Board of Regents should draw together all the strengths of the state's public colleges and universities and create a system-wide strategy for the effective deployment of resources. The benefit to Ohio will be greater economic productivity, more responsible citizenship and a better quality of life for its citizens.

Task Force Recommendations

I. *Link state colleges and universities more effectively to form a higher education system.*

Ohio's higher education system is currently shaped as a loose federation of autonomous institutions, each trying to serve educational needs to the best of its ability. Neither economies nor qualities of scale can be achieved at current funding levels. In order to more effectively serve the needs of Ohioans within a constrained resource environment, colleges and universities will need to function as a *system* of higher education, with an appropriate division of responsibilities for particular types of service divided among the colleges and universities.

The most appropriate role for the Board of Regents would optimize its responsibilities for state system policy, planning and coordination with the campus trustees' responsibilities for local institutional policies and operations within the larger system. In this leadership role, it is important that the members of the Board of Regents represent the interests of all Ohioans, not just the interests of specific colleges or universities or regions of the state.

We recommend that the Ohio Board of Regents:

1. Develop a statewide strategic plan for the higher education *system* which addresses the mission, goals, objectives and expected results for higher education in Ohio as a *system*, in consultation with elected officials, college and university leaders and community representatives.

2. Adhere, in developing this statewide strategic plan, to the following priorities for the use of state higher education funding:

- ACCESS AND ACHIEVEMENT: To accommodate the geographical, financial, psychological, cultural and logistical access needs of students and to optimize student achievement.

- EXCELLENCE: To enhance the quality of programs central to each college's or university's mission and eliminate those programs that do not meet standards of excellence or mission centrality. To assess and continually improve undergraduate education programs and student achievement. To prepare graduate and professional students to achieve the highest standards of the profession or discipline.

- SERVICE TO THE ECONOMIC AND SOCIAL POLICY DEVELOPMENT NEEDS OF THE STATE AND ITS REGIONS: To extend college and university resources to assist in the resolution of social problems and the expansion, attraction and retention of companies and jobs in Ohio.

  RESEARCH AND TECHNOLOGY TRANSFER: To achieve world-class status for selected research programs through consolidation of strengths and collaboration among investigators.

  WORKFORCE DEVELOPMENT: To assist companies in achieving competitive advantage through training that leads to a high-performance workforce.

- EFFECTIVE LEADERSHIP AND MANAGEMENT: To enhance the ability of college and university leadership teams to develop and sustain excellence at the lowest cost to students.

3. Ensure that college and university missions are consistent with the overall mission of Ohio's system of higher education.

4. Communicate regularly and effectively with the colleges and universities regarding state funding goals, priorities and state higher education policies. The chancellor and college and university presidents must work together to achieve these goals and carry out these policies.

5. Require regional collaboration where appropriate in graduate and professional programming.

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6. Require the medical schools to work together to accomplish the following:

   a. Increase the emphasis on education in primary care, and residency programs in Family Practice, Internal Medicine and Pediatrics.

   b. Improve health care through increased cost effectiveness, enhanced quality, and improved access. See Appendix I for an action plan developed by the deans of Ohio's medical schools.

   c. Develop regionalized programs in association with other public agencies in Ohio such as the regional Health Departments, Mental Health Departments, Medicare/Medicaid Health Services, and other statewide programs which might utilize resources in medical schools.

II. *Redesign the higher education structure to address six statewide priorities.*

PRIORITY 1: MEET THE DIVERSE NEEDS OF STUDENTS AND OPTIMIZE THEIR ACHIEVEMENT.

The higher education structure must be redesigned to ensure enrollment and achievement of more students. State resources need to be deployed in the most effective way to achieve student success.

We recommend that the Ohio Board of Regents:

1. Work with the State Board of Education to strengthen the college preparatory requirements and to reaffirm to all school boards, school administrators, teachers and counselors, and parents, the expectations for admission to universities.

2. Require all Ohio high school graduates, by the year 2000, to demonstrate completion of a college preparatory or technical preparatory curriculum for admission without conditions to community and technical colleges.

3. Increase the participation and achievement of economically disadvantaged and minority students at each college and university, and at each level of education (e.g., associate, baccalaureate, masters and doctoral levels).

We recommend that the Ohio General Assembly authorize the Ohio Board of Regents to:

4. Create a comprehensive community college system to provide a more direct and flexible response to local communities for low cost, geographical and psychological access to the first two years of a baccalaureate program; a technical associate degree; credit and non-credit workforce training and continuing education; and direct community service.

    * Convert all technical colleges and university regional or branch campuses into comprehensive community colleges. Where this action would result in more than one campus serving one geographical region, the campuses should be consolidated into a multi-campus district with one governing board. All community college districts should be supported with at least a one mil tax levy to secure local financial support.

    * Consolidate university regional or branch campuses and technical colleges in the seven locations in the state where they are co-located, creating comprehensive community colleges with their own governing boards. The seven locations are Canton, Lima, Mansfield, Marion, Newark, St. Clairsville and Zanesville. (Refer to map in Appendix A).

5. Offer university upper division and graduate coursework on a rotating, time and site specific basis on selected community college campuses through "university affiliations," particularly in those areas of the state where a university regional campus currently exists and the need to serve placebound students can be demonstrated. The community college shall serve as the host site for the programs, but responsibility for upper division coursework should remain with the university.

6. Declare the newly formed community colleges as the open access colleges of the higher education system.

The effects of recommendations 4 and 5 in Cincinnati, for example, would mean that the University of Cincinnati's Clermont, Raymond Walters and University College campuses and Cincinnati Technical College would be joined together into one community college district with a governing board. The community college district would join in affiliation with the University of Cincinnati (and, perhaps other colleges in the region) to extend the University's outreach to the greater Cincinnati area (e.g., upper division coursework, masters degrees, continuing education and professional development.

7. Permit universities to develop admission criteria appropriate to their functional missions.

8. Assign primary, but not exclusive, responsibility for developmental and remedial education to the community colleges.

9. Strengthen the articulation and transfer process so that all credits from any state higher education institution shall be accepted by any other.

PRIORITY 2: ASSURE EXCELLENCE IN ACADEMIC PROGRAMMING.

The redesign of higher education must focus on academic excellence.

We recommend that the Ohio General Assembly authorize the Ohio Board of Regents to:

1. Refocus college and university missions as necessary to carry out the mission, goals and objectives of the state higher education *system*. Functional missions should build on current institutional strengths and eliminate unnecessary duplication. The institution's functional mission will then be the basis for its trustees, presidents and staff to define admission criteria, programming, faculty assignments and rewards, and determine institutional effectiveness.

2. Develop mechanisms to strengthen existing campus level reviews of academic programs and to reinforce them with state-level consideration of effectiveness and quality. State level processes must be developed in a way that minimizes the need for additional reporting and expanded bureaucracy. Instead of a comprehensive review of all programs, the emphasis should be focussed only on areas of demonstrated concern.

3. Eliminate or consolidate programs where there is unnecessary duplication, or the yield is too small for continued high quality.

We recommend that the Ohio Board of Regents:

4. Identify uniform criteria from the quality standards of the North Central Association and other appropriate accrediting agencies, and require colleges and universities to measure and report institutional effectiveness, based on those criteria, related to mission, goals and objectives in the areas of teaching, research and service.

5. Seek restoration of funding to provide incentives for quality improvement, such as the Selective Excellence Programs.

6. Work with the State Board of Education and colleges and universities in efforts to improve the teaching and learning in schools, most particularly those school districts with consistently high numbers of students needing remediation at the collegiate level.

7. Work with the State Board of Education to ensure that the human and material resources of higher education are accessible to schools in a manner that promotes quality and opportunity throughout the levels of education, from kindergarten through graduation.

8. Ensure that each college or university reaffirms the importance of undergraduate education as part of its institutional mission and reports on outcomes in an annual institutional effectiveness evaluation.

9. Develop strategies to encourage instructional innovation and efficiency in undergraduate education and to pilot improvement of instruction through the use of technology and more effective deployment of teaching personnel.

10. Reaffirm the importance of research to enhancing teaching, promoting economic development, bringing eminent scholars to the state, and making it possible for colleges and universities to achieve their missions.

11. Continue to attract world-class scholars and research faculty through Ohio's research efforts (that have added to the economic well-being of the state by attracting new dollars), and elevate the national and international standing of Ohio's universities and colleges.

12. Recognize, as part of the institutional mission review, that The Ohio State University and the University of Cincinnati are the state's comprehensive research institutions with graduate education programs competitive at the national and international levels.

13. Establish, as part of the institutional mission review, selected centers of research strength on other university campuses (e.g., polymer sciences at the University of Akron).

14. Work carefully with the Ohio Science and Technology Council to focus research priorities on those areas with the greatest potential benefits to the state and its regions (e.g., economic development, reducing medicaid costs, curing diseases), and draw industry and university research strengths together to address those priorities.

15. Collaborate with the Department of Development to develop incentives for colleges and universities to conduct research and development activities designed specifically to advance the economic competitiveness of the state.

16. Encourage colleges and universities located in metropolitan areas to assume greater responsibility for applied research and development on social and economic issues important to the region.

17. Work with the Department of Development to promote Ohio's two-year college workforce training network, EnterpriseOhio, and its member institutions, as the preferred mechanism for the delivery of customized training in local communities throughout Ohio. This would involve consolidation of customized training by vocational schools and two-year colleges into one delivery system coordinated by the college, or jointly, as in the case of the Tri-County Training Consortium in Piqua, Ohio.

PRIORITY 3: INCREASE PRODUCTIVITY AND REDUCE COSTS.

The higher education redesign should result in a quality product for an affordable price.

We recommend that the Ohio Board of Regents:

1. Hold administrative costs down by working with each college and university to establish general "cost-to-inflation" benchmarks. The campuses should use some, if not all, of the following strategies if they have not already implemented them:
    a. Adopting a continuous quality improvement approach to administering the institution, in order to reach the highest level of quality with the lowest cost.
    b. Streamlining organizational structure, creating greater flexibility and responsiveness to the changing institutional environment.
    c. Implementing energy conservation plans.
    d. Developing cost-effective employee health care plans, in collaboration where feasible with other colleges and universities or with other relevant entities (e.g., employers in the region, the state of Ohio, etc.).
    e. Establishing risk management/property insurance programs in collaboration with other colleges and universities (or on a statewide basis).
    f. Increasing regional collaboration for purchasing, computing, mailing and other operations where cost savings will result.
    g. Privatizing campus operations where appropriate.
2. Share best practices and cost containment ideas among colleges and universities.

3. Ensure that faculty time is allocated in the most productive manner, consistent with institutional and departmental missions. To accomplish this, the Ohio Board of Regents will endorse the recommendations of the Study Committee on Faculty Workload (Appendix H) and require each public college and university to:

   a. Develop an institutional faculty workload policy which defines the individual or group performance standard for each academic area and includes procedures for handling cases where the standard is not achieved, and specifies who has authority to assign courses and the times they shall be taught.

   b. Develop and implement a faculty performance evaluation and appropriate reward system consistent with institutional mission, goals and objectives. The faculty performance standards must be based upon relevant, objective, quantitative and qualitative evaluation criteria.

   c. Establish an annual performance evaluation mechanism to measure actual output or outcomes and report actual results vs. expected standard (measure by individual and/or group).

4. Direct the higher education system toward performance based contracts to maintain high continuing performance of all administrators and faculty. In order to accomplish this, the Ohio Board of Regents should require colleges and universities to:

   a. Employ a definition and application of tenure for all college and university faculty that focuses on protecting academic freedom. Tenure is not a lifetime guarantee of employment, but it is a commitment to academic freedom.

   b. Adopt flexible administrative and contractual approaches to tenure that do not result in unconditional, guaranteed lifetime job security without the requirement to meet the specified performance standards for productivity and effectiveness within the mission of the institution.

   c. Establish time-limited contracts for tenured faculty who, in a post-tenure review, have been determined by the criteria established above to be non-productive and ineffective.

5. Work in collaboration with other state agencies to reduce or eliminate the number of duplicative and unnecessary state reporting requirements for grants and contracts. The Ohio Board of Regents should convene an inter-agency task force, including particularly the Department of Administrative Services, Secretary of State and State Auditor's Offices, to identify ways to eliminate duplicative and unnecessary state reporting requirements for grants and contracts.

6. Work in collaboration with the Ohio Department of Education to consolidate, by 1995, the higher education data reporting for the Integrated Postsecondary Education Data System (IPEDS) and the Board of Regents. This will require that the Ohio General Assembly appropriate funds in the 1993-95 biennium for the redesign of the Board of Regents' Uniform Information System to accommodate the data needs of the funding formula, to consolidate state and federal higher education data reporting, and to build a database to be used for planning and system effectiveness purposes.

7. Seek legislative exemption from some state employment policies and develop and implement a human resource management system with appropriate differences from the State's Civil Service Classification System. The Ohio Board of Regents should convene a task force to determine specific state employment policies and procedures for which exemptions for colleges and universities should be sought, and develop model human resource management systems for colleges and universities that have at least the following assurances:

   * Employees are protected against arbitrary dismissal.

   * Hiring is done on the basis of qualifications not political affiliation.

   * Employees are guaranteed periodic and written performance evaluations.

   * The rights of employees to bargain collectively are protected.

8. Seek legislation to permit institutions to create early retirement programs for specific components of the campus that have been identified for reduction or elimination and to permit basing priority for early retirement on length of service with the institution rather than with the retirement system as a whole.

9. Encourage the continuation of the cooperative efforts of the Department of Administrative Services, Division of Public Works and the college and university architects and facility management personnel to establish a more appropriate balance between the centralization/decentralization of the facility design and construction process and thereby, to provide for more local involvement in the administration of projects as determined to be appropriate on an institution-by-institution basis.

   This can be best accomplished by a system that involves university architects and facility management personnel in various aspects of the administration of individual projects or, where criteria is met, delegation of authority for complete local administration of individual projects. This would include the delegation of the selection of architects, design document review, etc. to those institutions having demonstrated the willingness and capability to do so. It would be the responsibility of the Department of Administrative Services, Division of Public Works, to establish criteria, delegate authority, and to monitor performance based on clear, objective criteria.

These criteria might include:

- Evidence of trained, capable registered architectural and engineering staff.
- A formal process to assure open competition for architects, engineers and contractors.
- Evidence of compliance with all state requirements regarding minority set aside, prevailing wage, safety and environmental regulation.
- Assumption of responsibility to complete projects on time and within budget.
- Mechanism to report to the state on compliance.

In addition, the Task Force supports the recommendations of the Governor's Operations Improvement Task Force and others regarding the elimination of redundant review by the Controlling Board on facility design and construction projects.

10. Support a pilot project to assess the value of the "single prime contractor" approach to construction projects in lieu of current "multiple prime contractors" approach.
11. Seek legislative authorization to allow colleges and universities to contract locally with auditing or legal firms rather than use the centralized services of the State Auditor's Office or the Office of the Attorney General.

PRIORITY 4: ENSURE ACCOUNTABILITY.

In the redesign of higher education, college and university trustees as well as the Ohio Board of Regents must be held accountable to their constituents for the results of the teaching/learning process. Ways must be developed to measure quality and productivity.

We recommend that the Ohio Board of Regents:

1. Require each college and university to inform the Ohio Board of Regents how each of the following will be measured:

- Quality of classroom teaching and courses.
- Quality of service in areas such as registration, admissions, etc.
- Student achievement.
- Faculty workload including number of students (FTEs) taught per course per term (semester, quarter); average dollars per faculty from grants, contracts, and awards not counting those from the Ohio Board of Regents; and hours per week spent on consulting or private endeavors (collateral employment).
- Evaluation of faculty performance.
- Impact the granting of sabbaticals has had on teaching and/or scholarship/research.

2. Require each college and university to develop a plan and timetable of implementation of those items specified in #1 above. The plan should be available by December 1993, and the measures implemented by September 1994.

3. Require that all student charges for intercollegiate athletics be separately identified, and that all expenditures and sources of revenues for intercollegiate athletics be identified explicitly in the institution's annual budget report.

PRIORITY 5: STRENGTHEN LEADERSHIP AND MANAGEMENT EFFECTIVENESS.

The redesign of higher education should assure that those individuals charged with the responsibility and accountability for the colleges and universities have the authority and expertise to carry out their charges.

Recommendations:

We recommend that the Ohio General Assembly authorize the Ohio Board of Regents to:

1. Identify with clarity the responsibilities and expectations of college and university trustees and publish a trustees handbook. The Board of Regents and chancellor should work with trustees and presidents to develop the handbook of trustee expectations and to ensure that all trustees are oriented to the local institution (by the college or university) as well as the state higher education system (by the Ohio Board of Regents). Boards of Trustees should annually evaluate their own effectiveness and provide a summary to their appointing authorities.

We recommend that the Ohio Board of Regents:

2. Convene leadership conferences and issue forums to broaden the participation of colleges and universities in statewide higher education system planning and coordination.

3. Document and communicate regularly the effectiveness of Ohio's higher education system to government leaders and the citizens of Ohio. To do this the Board of Regents will work in consultation with the higher education community to develop goals, objectives and suitable measures to be used statewide to document the effectiveness of the higher education system.

4. Encourage colleges and universities to communicate the results of their institutional effectiveness assessments more widely to those whom they serve.

PRIORITY 6: SECURE RESOURCES TO MAKE HIGHER EDUCATION AFFORDABLE.

In light of the issues raised in this report, the higher education system and the state funds that support it need to be positioned to meet the needs of the students and the state in the long term.

We recommend that the Ohio Board of Regents:

1. Assure that state monies are directed to higher education system priorities in both the operating and capital budgets for the years ahead.

2. Ensure consideration in the higher education budgeting process the implications for the following policy issues:

    a. Whether current state funding mechanisms provide appropriate incentives to encourage the accomplishment of institutional missions with the most efficient use of space, including the determination of whether centralized budgeting of debt service and the allocation of plant operation and maintenance funds on a square footage basis create incentives to invest inappropriately in additional space.

    b. Whether the state should continue to protect institutions from the financial effects of enrollment decline through a formula that distributes funds on the basis of historic (base) enrollments when those are higher than current enrollments, or whether state resources should follow current enrollments more closely.

    c. Whether the current enrollments that are used for the distribution of funds should continue to be limited to summer and fall enrollments only, or whether the use of enrollments from all terms would be fairer and less subject to manipulation.

d. Whether enrollment growth should be funded on the same average cost basis as stable enrollments, or whether enrollment growth should be funded on a marginal cost basis, and for how long.

e. Whether the institutional financial audit process can be used to provide a verification for the enrollments reported for subsidy purposes.

f. What provisions should be made to protect institutions from the consequences of resulting losses in formula allocations in the event that significant changes are made to the formula.

g. What mechanism should be used to reward quality, retention, student success and the accomplishment of other state goals.

h. How the state will reconcile its need to see more of its citizens prepared through a program of higher education for successful employment with its inability to provide a stable level of funding for core higher education programs. If funding cannot keep pace with enrollment growth, what happens to the services provided to students as resources continue to be diluted? Should certain types of noncredit instruction that are specifically designed to increase the skills of workers be eligible for state support? Where would the resources be found to prevent such a step from diluting support even further?

3. Develop with the Office of Budget and Management formal guidelines concerning the type of "community projects" that are eligible to be funded by the higher education bond fund.

4. Provide incentives, or at least remove disincentives, in state funding policies and procedures to encourage appropriate consolidation, merger, elimination, transfer or other reduction of unnecessary duplication or low priority academic programs.

5. Work in partnership with business, industry and community groups to secure additional resources for student aid.

6. Continue to invest in the colleges' and universities' successes in attracting external research dollars through the Research Challenge and Action and Investment Fund Programs. These dollars have led to major advancements in scientific knowledge as well as very practical applications in the development of new products for the benefit of the public.

7. Continue to invest in the colleges' successes in workforce development through the Productivity Improvement Challenge Program.

III. ***Strengthen the higher education system leadership responsibilities of the Ohio Board of Regents while retaining college and university responsibility for campus policies and operations.***

To accomplish this redesign, more effective planning and coordination at the state level is needed to create a higher education *system*. Campus autonomy should be preserved to the highest degree possible, especially at the campus operational level, but the Board of Regents must play a strong role in designing a more effective higher education system.

Recommendations:

1. Expand the Ohio Board of Regents' responsibilities to include:

   - Setting statewide goals and objectives for higher education.
   - Guiding the development of institutional missions to ensure the most effective deployment of resources.
   - Eliminating unnecessary program duplication.
   - Establishing statewide funding priorities.
   - Providing a framework for the debate of higher education policy issues.
   - Assuring that students receive the highest quality services possible.

   The Board should exercise its new authority in close consultation with the colleges and universities that make up the higher education system in Ohio.

2. Seek legislation charging the Board of Regents with responsibility to coordinate the delivery of all adult postsecondary programs. This recommendation was included in the recommendations of the Governor's Task Force on Education, "Model for the Future: An Organization Study of the Ohio Department of Education," August 1991.

Conclusions

Our state-level Managing for the Future Task Force and the institutional management committees have concluded that it is necessary for Ohio to:

1. Link state colleges and universities more effectively to form a higher education system;
2. Redesign the higher education structure to address six statewide priorities; and
3. Strengthen the higher education system leadership responsibilities of the Ohio Board of Regents while retaining college and university responsibility for campus policies and operations.

In our view, Ohio's public colleges and universities have been managed efficiently given the fact that each institution has been trying to provide full services for the communities they serve. Presidents and trustees have served Ohio well in managing to provide open access to students not always prepared for collegiate-level work; improve the level of quality in programs, and serve the economic and social development needs of the state and its regions. They have been able to do this at a cost below the national average, and with historically low levels of funding from the state. Student fees have taken up part of the slack, but cost-containment efforts on every campus have held student fees lower than they would have been if spending levels in Ohio were at or above the national average.

The universities, for the most part, have been trying to offer programs ranging from developmental and remedial education through doctoral degrees and research. Community and technical colleges have provided open access to their regions at the associate degree level and serve the immense job training needs of those individuals already in the workforce. Our challenge, as a task force, was to find a way for the colleges and universities to continue to achieve the access, quality, and efficiency standards expected by Ohioans within what we believe will be a protracted period of limited resources.

We believe the greatest benefit to Ohioans will come in larger, overarching structural changes within each college and university as identified by their task forces and in this report. Each campus has demonstrated to us specific ways they have been reducing costs over the last decade; each is on a path to streamline operations without loss of quality.

Our report has identified where we believe the strengths lie in higher education. The strengths of the campuses must not be diluted in our attempts to reshape higher education. At the same time, we believe those strengths provide a solid foundation for a more systematic approach to planning and coordination, with the Ohio Board of Regents assuming a stronger leadership role. College and university presidents and trustees need to work more closely together in a higher education system that responds more fully to the needs of all Ohioans while also having enough autonomy to carry out the effective operation of each institution.

Responsibility for providing leadership in restructuring the system of higher education lies first with the Ohio Board of Regents and the college and university leaders, but this alone is not enough. The state's elected officials need to address where higher education fits among other budget priorities. If Ohio's goal is to produce more educated citizens, then the state of Ohio needs to support additional funding for growing numbers of students on at least an equal footing with additional funding for prisons and for Medicaid. Otherwise restructuring the system of higher education will expend a great deal of energy without reversing the decline in Ohio's ability to compete in a global economy.

We have examined the evidence and offer our recommendations to the Ohio Board of Regents for their consideration. Many of our recommendations will require support of the Governor and Ohio General Assembly in legislation.

Our recommendations are not short-term in nature. They will require careful consideration by Ohio's government leaders, the higher education community, and industry, labor and community leaders across Ohio. We urge that this process move deliberately and that implementation of the recommendations begin yet this year. We stand ready to assist you in any appropriate way.

ACKNOWLEDGMENTS

Our gratitude goes first to the college and university task force members who served ably and thoughtfully in finding ways their institutions could more effectively manage for the future. For many it was their first in-depth exposure to the college or university and they came away from their experience with a new understanding of the strengths that exist in higher education.

Next, our thanks to the many who testified before our task force: business, industry and community leaders; trustees; presidents; provosts and chief academic officers; and faculty. They informed our debate and shaped our thinking.

Finally, there are a number of individuals who contributed to the staffing of an undertaking this large, and we appreciate the work that many have done to provide timely information and develop a finished product. Thanks, particularly, to Chancellor Elaine H. Hairston and her able staff, Vice Chancellors Matthew V. Filipic, William J. Napier and E. Garrison Walters for sharing their expertise, and to N. Jane Fullerton, Donna K. Klabunde, Catherine L. Routte, Wendy M. Merchant, and Cynthia L. Saunders for handling the day-to-day task force details. And to Vice Chancellor Ann H. Moore, our deepest appreciation for crafting our thoughts, at the direction of the Writing Committee, so carefully and skillfully into this final document.

N. Victor Goodman, Chairman
Managing for the Future Task Force

BRUCE DOUGLAS
CHAIRMAN OF THE BOARD
UNIVERSITY OF TOLEDO

DISSENTING REPORT ON THE CONCLUSIONS PRESENTED BY THE MANAGING FOR THE FUTURE TASK FORCE

The Managing for the Future Task Force has examined ways in which colleges and universities can sustain quality programs with efficiency in the days ahead. In the areas of meeting student needs, restoring funding for incentive-based programs targeted at quality improvement, and the securing of resources to make higher education affordable the conclusions of the group are correct.

In these other areas, however, it's thought that the recommendations should not be implemented for the following reasons:

Proposal of strengthening the role of The Ohio Board of Regents

Though it praises current operations of Ohio's public colleges and universities in the ways they deliver high quality education at less than national averages of cost and attributes that accomplishment to the Ohio tradition of policy controlled by local Board of Trustees, The Task Force is proposing to remove much of the policy-level authority for these local boards. It's suggested that we centralize several key policy and managerial functions for higher education, such as responsibility for developing individual institutional missions and for program discontinuance, by placing these functions in the hands of The Ohio Board of Regents. This proposal is contrary to the trend in government today (as well as in the private sector) to delegate as much responsibility and authority as possible to local management and to minimize control by centralized bureaucracies that are often distant and unresponsible to local needs.

The proposal is contrary to The Task Force's own findings that "responsibility for accountability to the constituents of each institution belongs to the college and university Trustees and Presidents." Such accountability is impossible unless these Boards retain their responsibility and authority. The proposal for centralization is in conflict with the recommendation for local accountability.

One of the primary concerns, as stated in the report, is the search for "the highest degree of efficiency during times of fiscal constraints." Despite this need, The Task Force's recommendations will lead to increased costs. The Task Force does not consider the recent history in other states that have gone through higher education "system building." In every case, there has been an increase in expenditures to support the centralized bureaucracy. There is not one instance of centralization of higher education in this country that has not resulted in significant and permanent increases in costs at the central level. Such increases are due to the build-up of duplicative and repetitive bureaucratic functions.

Rather than cost savings, the net result nationally has been increased administrative costs which have drained the limited resources available for instruction at the institutional level.

The Task Force report speaks of the need to require that appropriate accountability mechanisms are in place at the campus and says that the quality of classroom teaching and services in student support areas; student achievement; faculty workloads; evaluation of faculty performance will be measured. The increase in the size of the bureaucracy and the concomitant costs will be significant.

There is not one instance of a centralized Board developing a great American university. Every great American public university was developed by an individual Board committed to that institution with its accountability to the public for the actions of the board.

Development of a two-tier higher education structure

Designation of The Ohio State University and the University of Cincinnati as the only two "comprehensive research institutions" in the State will unnecessarily result in a two-tier system which will be invidious and destructive to other institutions and to the economic future of the regions in which they are located.

A two-tier system will lead to differentials in institutional support from the state for operations and capital based upon the system rather than upon institutional needs. Such a process does not lead to enhanced local quality but rather further centralization of needed by distant services.

There is no indication that any of the four-year colleges and universities in Ohio has ever aspired to the comprehensive state role played by The Ohio State University in areas, for example, such as agriculture. In addition, there is no indication that the University of Cincinnati has ever played a comprehensive role different than Ohio's other public colleges and universities. Given such a history, it is questionable why such designations are necessary or desirable.

The economic, social and cultural diversity of Ohio is rooted in its geographical diversity. The Task Force proposes designating two institutions with special responsibilities for all regions of the state. This will inevitably lead to limitations on the ability if local institutions of relate to and meet the needs of the people, its commerce and industry and the institutions of the region in which they are located. The Task Force did not fully consider these regional impacts in making this proposal.

Designating two institutions with a special research role and mission will reduce the competitiveness of the state's other colleges and universities in the research and technology marketplace. This will occur at a time when Ohio is most in need of increasing its competitive position, not reducing it. The citizens of Ohio's diverse geographic regions, outside of the Columbus and Cincinnati metropolitan areas, will be hurt most by this task force proposal.

Managing Construction Projects

Again, the management of construction projects at a local level is a responsible and effective recommendation. The Task Force acknowledges the significant increase in construction costs due to the operations of the Department of Administrative Services' slow, centralized bureaucracy. Unfortunately, The Task Force stops short of proposing an institutional solution to a problem clearly identified as resulting from centralization. For the highest degree of efficiency and effectiveness in the use of capital funds, individual institutions must be able to control financing and construction, calling upon the DAS only if needed, on an ad hoc, consulting basis. There's a parallel in the State's system of issuing building permits which offers guidance.

Bruce Douglas
Chairman of the Board

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Managing for the Future:

Challenges & Opportunities for Higher Education in Ohio

Appendix

Report of the
Managing for the Future Task Force
July, 1992

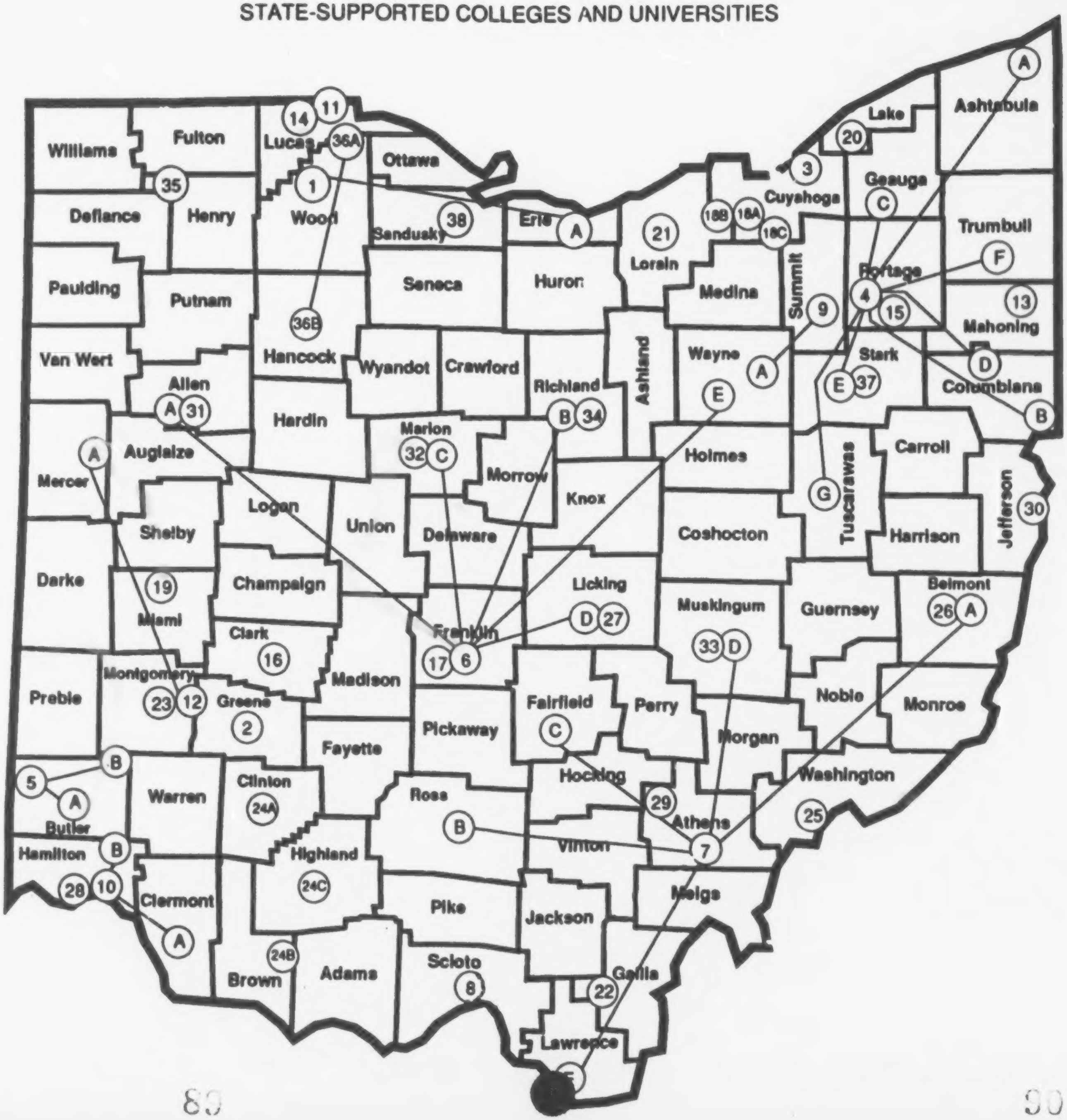
BEST COPY AVAILABLE

Appendix A

Location of Public Colleges & Universities in Ohio

STATE SUPPORTED COLLEGES AND UNIVERSITIES
Map and Legend

STATE-SUPPORTED COLLEGES AND UNIVERSITIES


Williams
Fulton
Lucas
14
11
36A
Ottawa
35
1
Defiance
Henry
Wood
Sandusky
38
Erie
A
21
18B
18A
18C
Cuyahoga
3
Lake
20
Ashtabula
A
Geauga
C
Trumbull
Pauldng
Putnam
36B
Hancock
Seneca
Huron
Lorain
Medina
Summit
9
Portage
4
F
15
13
Mahoning
Van Wert
Wyandot
Crawford
Richland
Ashland
Wayne
A
E
Stark
E
37
D
Columbiana
B
Allen
A
31
Hardin
Marion
32
C
B
34
Mercer
A
Auglaize
Morrow
Holmes
Carroll
Logan
Union
Knox
G
Tuscarawas
Jefferson
30
Shelby
Delaware
Coshocton
Harrison
Darke
19
Miami
Champaign
Licking
D
27
Muskingum
Guernsey
Belmont
26
A
Clark
16
Franklin
17
6
33
D
Preble
Montgomery
23
12
Greene
2
Madison
Fairfield
C
Perry
Noble
Monroe
Pickaway
Morgan
Fayette
B
5
A
Butler
Warren
Clinton
24A
Ross
B
Hocking
29
Athens
Washington
25
Hamilton
B
28
10
Clermont
A
Highland
24C
Vinton
7
Pike
Jackson
Meigs
24B
Brown
Adams
Scioto
8
22
Gallia
Lawrence
C

NOTE: Branch campuses are marked as an extension of the main campus

STATE-SUPPORTED COLLEGES AND UNIVERSITIES MAP

	INSTITUTION	LOCATION
1.	Bowling Green State University	Bowling Green
A.	Firelands	Huron
2.	Central State University	Wilberforce
3.	Cleveland State University	Cleveland
4.	Kent State University	Kent
A.	Ashtabula	Ashtabula
B.	East Liverpool	East Liverpool
C.	Geauga	Burton Township
D.	Salem	Salem
E.	Stark	Canton
F.	Trumbull	Warren
G.	Tuscarawas	New Philadelphia
5.	Miami University	Oxford
A.	Hamilton	Hamilton
B.	Middletown	Middletown
6.	The Ohio State University	Columbus
A.	Lima	Lima
B.	Mansfield	Mansfield
C.	Marion	Marion
D.	Newark	Newark
E.	Agricultural Technical Institute	Wooster
7.	Ohio University	Athens
A.	Belmont	St. Clairsville
B.	Chillicothe	Chillicothe
C.	Lancaster	Lancaster
D.	Zanesville	Zanesville
E.	Ironton	Ironton
8.	Shawnee State University	Portsmouth
9.	University of Akron	Akron
A.	Wayne	Orrville
10.	University of Cincinnati	Cincinnati
A.	Clermont	Batavia
B.	Raymond Walters	Blue Ash
11.	University of Toledo	Toledo
12.	Wright State University	Dayton
A.	Lake	Celina
13.	Youngstown State University	Youngstown
14.	Medical College of Ohio at Toledo	Toledo
15.	Northeastern Ohio Universities College of Medicine	Rootstown
16.	Clark State Community College	Springfield
17.	Columbus State Community College	Columbus
18.	Cuyahoga Community College	Cleveland
A.	Metro Campus	Cleveland
B.	Western Campus	Parma
C.	Eastern Campus	Highland-Hills
19.	Edison State Community College	Piqua
20.	Lakeland Community College	Mentor
21.	Lorain County Community College	Elyria
22.	Rio Grande Community College	Rio Grande
23.	Sinclair Community College	Dayton
24.	Southern State Community College	
A.	North Campus	Wilmington
B.	South Campus	Fincastle
C.	Central Campus	Hillsboro
25.	Washington State Community College	Marietta
26.	Belmont Technical College	St. Clairsville
27.	Central Ohio Technical College	Newark
28.	Cincinnati Technical College	Cincinnati
29.	Hocking Technical College	Nelsonville
30.	Jefferson Technical College	Steubenville
31.	Lima Technical College	Lima
32.	Marion Technical College	Marion
33.	Muskingum Area Technical College	Zanesville
34.	North Central Technical College	Mansfield
35.	Northwest Technical College	Archbold
36.	Owens Technical College	
A.	Main Campus	Toledo
B.	Findlay Campus	Findlay
37.	Stark Technical College	Canton
38.	Terra Technical College	Fremont

Appendix B

Enrollment & Degrees Awarded in Ohio Public Colleges & Universities

TABLE 1
Ohio: FTE Enrollment in Public Colleges and Universities
1980–1990

	UNIVERSITIES	BRANCHES & CENTERS	COMMUNITY COLLEGES	TECHNICAL COLLEGES	TOTAL
1980	225220	16208	33817	27457	302702
1981	225544	18091	34955	29799	308389
1982	223561	17615	36820	31497	309493
1983	224410	18082	38354	32948	313794
1984	221227	17395	35233	29874	303729
1985	221933	17488	33334	29657	302412
1986	227771	18834	30928	30891	308424
1987	229580	20099	36367	25797	311843
1988	234193	21208	38780	26310	320491
1989	238434	22779	42007	27537	330757
1990	241708	23873	45566	30040	341187

NOTE: Summer and Fall enrollment is combined.

SOURCE: Ohio Board of Regents, Basic Data Series, 1991 Edition

TABLE 2
Ohio: Degrees Awarded in Public Colleges and Universities
1980 – 1990, Selected Years

UNIVERSITIES & BRANCH CAMPUSES

	1980–81	1982–83	1984–85	1986–87	1988–89	1990–91
Associate	4,497	5,118	4,864	4,401	4,311	4,136
Bachelor	28,025	29,160	29,595	30,323	30,998	32,518
Master's	8,804	8,629	8,034	8,221	8,911	9,164
Doctorate	1,167	1,226	1,153	1,241	1,336	1,435
First Professional	2,004	1,761	2,080	2,042	1,993	2,008
Other	197	121	105	81	75	38
Total	44,694	46,015	45,831	46,309	47,624	49,299

TWO YEAR CAMPUSES

	1980–81	1982–83	1984–85	1986–87	1988–89	1990–91
Associate	8,379	10,846	10,841	10,062	9,446	10,471

NOTE: Academic year is from July 1 to June 30.
1990–91 data is drawn from priliminary draft.

SOURCE: Ohio Board of Regents, Student Inventory Data

Appendix C

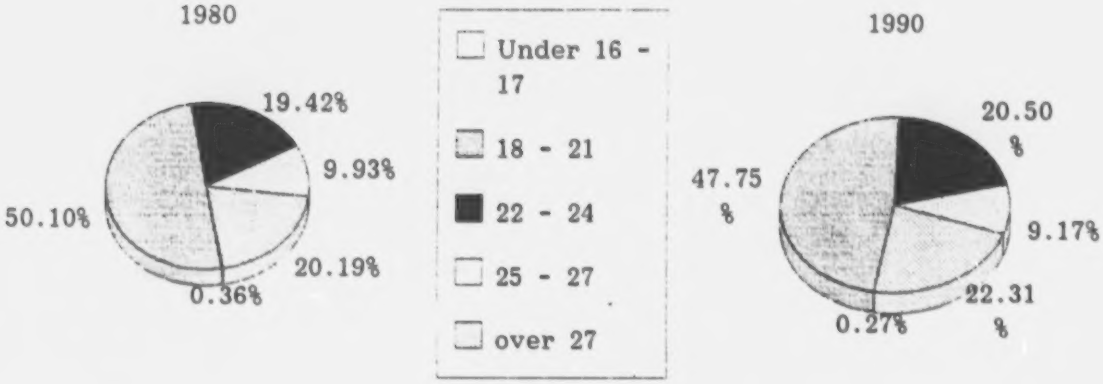
Student & Faculty Profiles

1. *Enrollment Patterns:*
    - *A) Age*
    - *B) Gender*
    - *C) Day/Evening*
    - *D) Full-Time/Part-Time*
    - *E) Ethnicity*
2. *Faculty Rank*

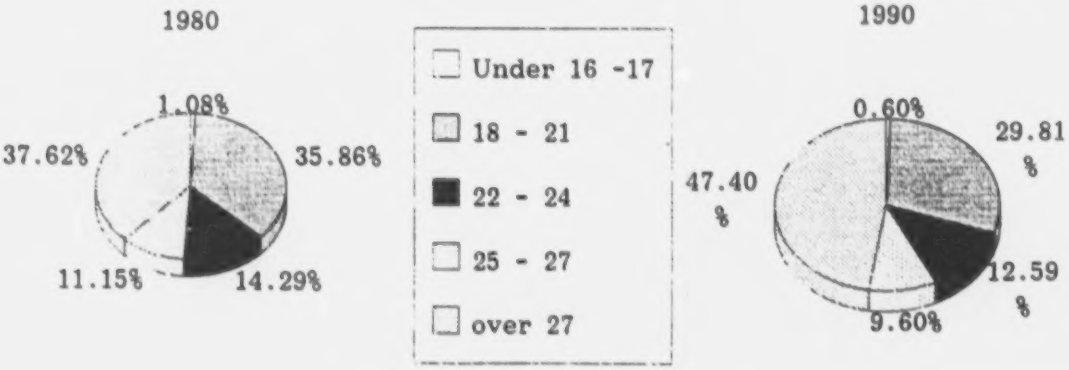
TABLE 3

Ohio: Student Headcount Enrollment by Age and Sector
Public Colleges and Universities
1980 and 1990

UNIVERSITIES



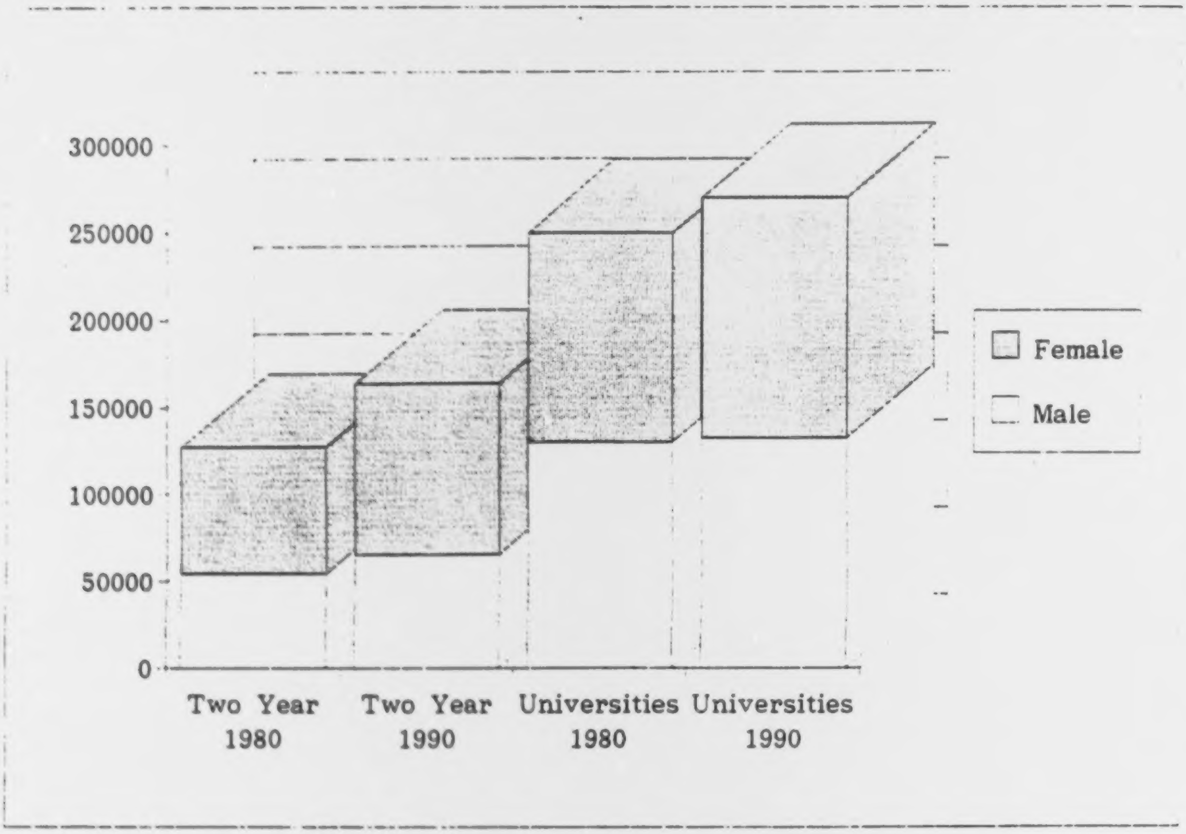
TWO YEAR CAMPUSES



SOURCE: Student Inventory Data, Ohio Board of Regents

TABLE 4

Ohio: Student Headcount Enrollment by Gender and Sector Ohio Public Colleges and Universities, 1980 and 1990



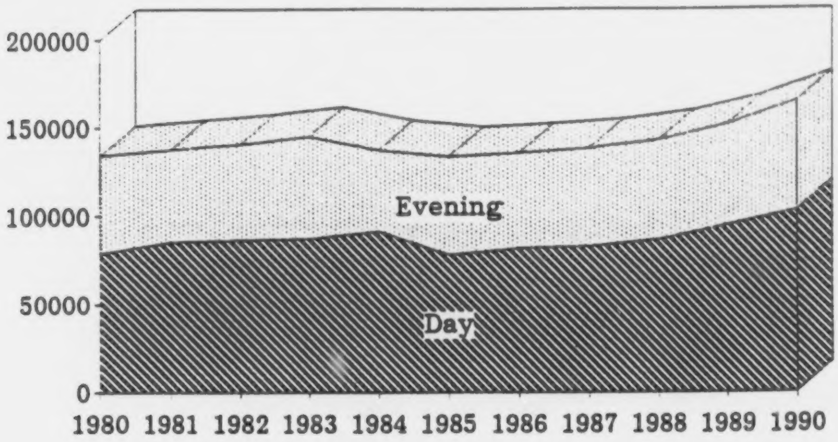
	1980		1990	
	Two Year Campuses	**Universities**	**Two Year Campuses**	**Universities**
Male	54,253	129,724	65,217	132,161
Female	73,244	120,054	98,510	137,780
Total	**127,497**	**249,778**	**163,727**	**269,941**

SOURCE: Student Inventory Data, Ohio Board of Regents

TABLE 5

Ohio: Student Headcount Enrollment, Day and Evening by Sector Ohio Public Colleges and Universities, 1980 - 1990

Two-Year Campuses



Universities

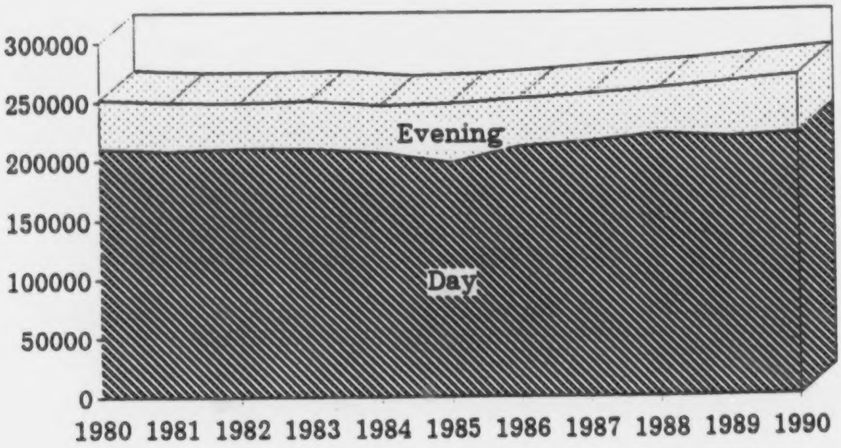
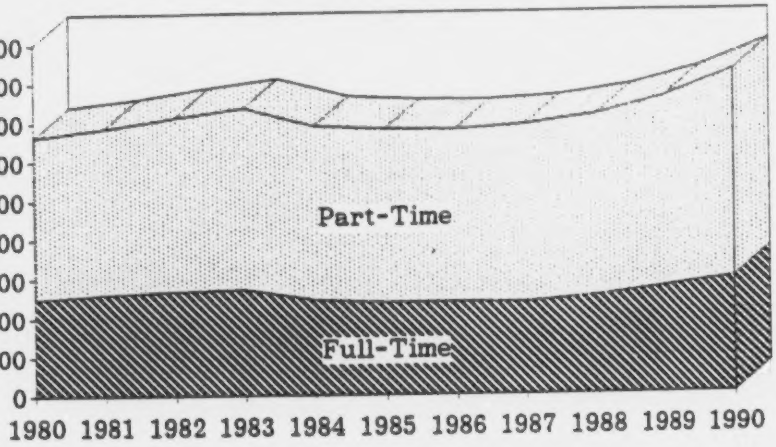


TABLE 6

Ohio: Student Headcount Enrollment, Full- and Part-Time by Sector Ohio Public Colleges and Universities, 1980 - 1990


Two-Year Campuses

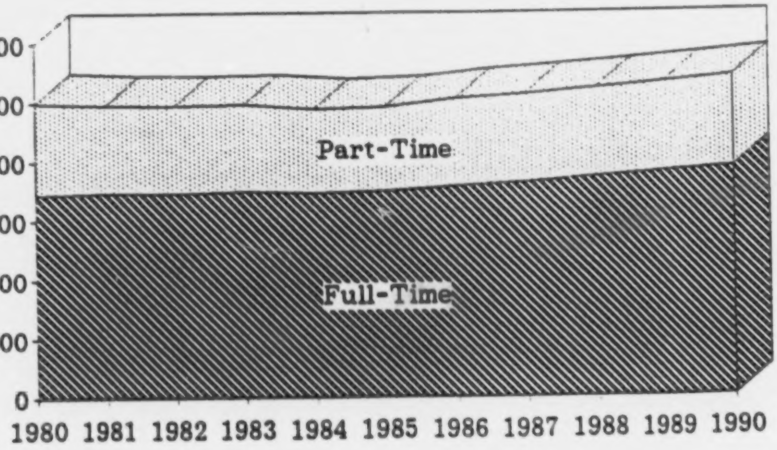
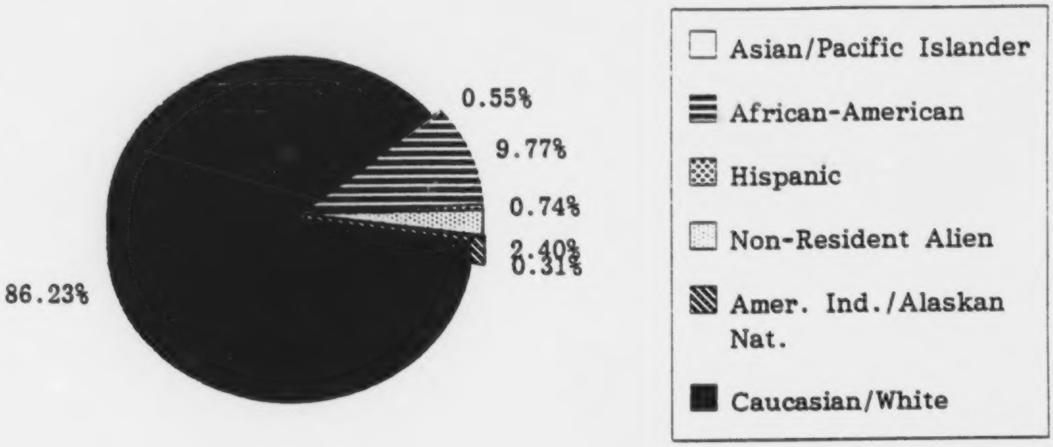

Universities

TABLE 7

Ohio: Student Headcount Enrollment, Ethnicity by Sector Ohio Public Colleges and Universities, 1980 and 1990

Two Year Campus Enrollment by Ethnicity, 1980



Two Year Campus Enrollment by Ethnicity, 1990

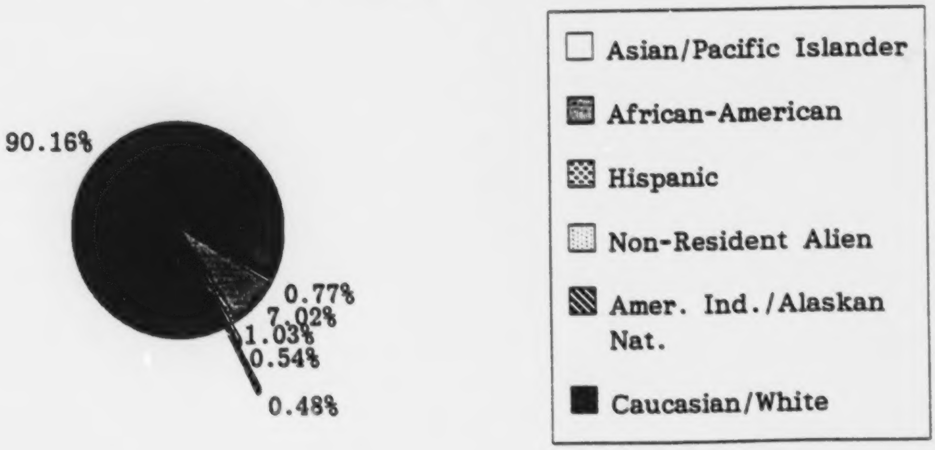
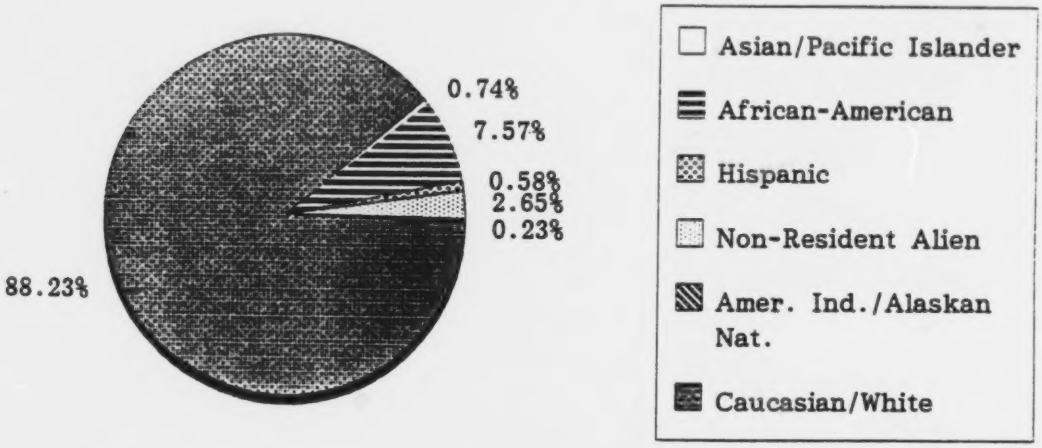


TABLE 7 cont.
Ohio: Student Headcount Enrollment, Ethnicity by Sector
Ohio Public Colleges and Universities, 1980 and 1990

University Enrollment by Ethnicity, 1980



University Enrollment by Ethnicity, 1990

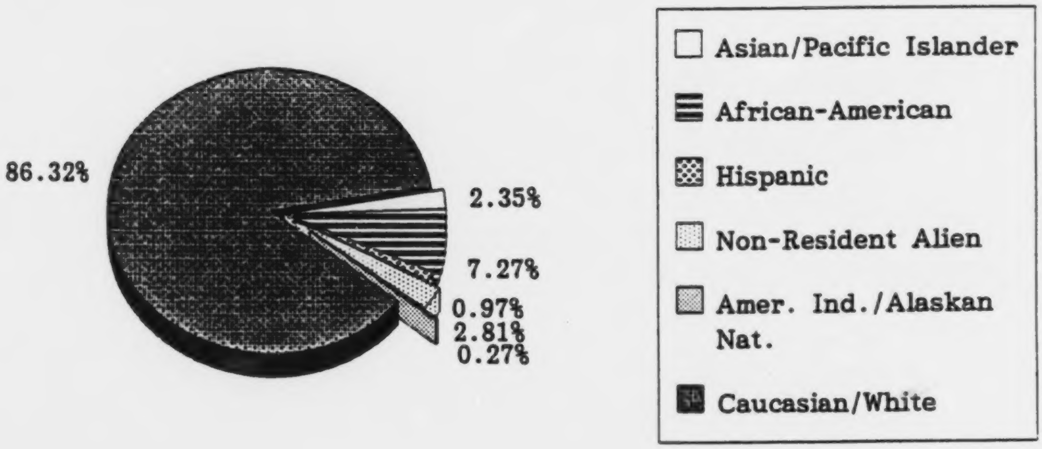
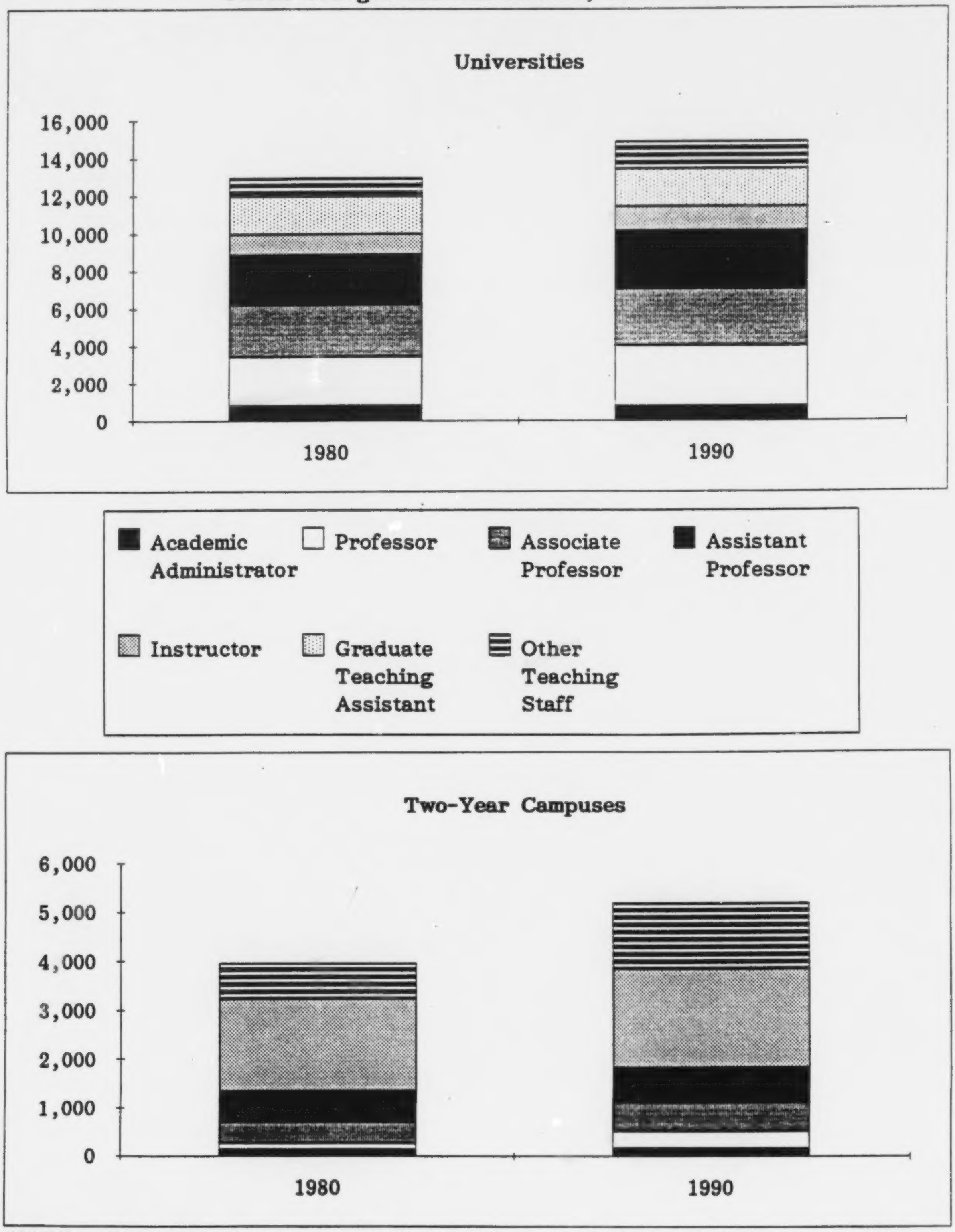


TABLE 8
Ohio: FTE Faculty, By Rank, All Programs
Public Colleges and Universities, 1980 - 1990



NOTE: Two Year Campuses include Branches, Technical and Community Colleges
SOURCE: Basic Data Series, Ohio Board of Regents

Appendix D

State-Level & Public College & University Efforts to Improve Access

STATE-LEVEL EFFORTS TO IMPROVE ACCESS

In the 1988 policy study of the Ohio Board of Regents on student access and success, the following strategic goals were stated:

1. To increase the number of individuals participating in higher education at each level (associate, baccalaureate, graduate, professional), with particular attention to minority students.

2. To increase the number of returning and continuing students in Ohio's colleges and universities, with particular attention to minority students.

3. To improve the rate of degree completion at all levels of higher education and in all colleges and universities, with particular attention to minority students.

4. To increase minority student enrollments, over a ten-year period, to at least proportional representation for each college and university service area.

5. To assure that all students are accorded the benefit of faculty and a learning environment generally representative of the racial/ethnic mix found in the service district of the college or university.

In an effort to achieve these goals, the following strategies have been used:

Student Financial Aid

- Ohio Instructional Grants. The Ohio Instructional Grant Program, instituted in 1969, awards grants for college tuition and fees based on income eligibility. More than 70,000 awards are made each year.

- War Orphans Scholarships. Children of individuals disabled or killed by U.S. involvement in war are eligible for scholarships for tuition and fees at public colleges and universities in Ohio, and for partial tuition and fees at Ohio's independent colleges. This program has been in existence since 1956 and serves about 900 students annually.

- Academic Scholarships. Each year, 1,000 high school graduates are awarded academic scholarships of $1,000 per year for four years. Each Ohio high school nominates eligible recipients to this program, which has been in place since 1976, and serves about 3600 students a year.

- Student Choice Grants. In order to provide Ohio high school graduates with a variety of college and university options, Student Choice Grants are awarded to Ohio students attending independent colleges and universities in Ohio. The grants represent an amount based on the public higher education instructional subsidies, and help to offset the tuition charges of independent colleges.

Access Improvement

- **Access Improvement.** This program has provided funds for the implementation of the access improvement goals of the Board of Regents, and is used to sponsor conferences and workshops; provide planning grants to institutions; and to fund innovative pilot projects targeted for access improvement of underrepresented students, such as:

    * **Appalachian Access and Success Project.** This project involves the collaboration of colleges and schools in the 29 Appalachian counties of Ohio to improve the college-going rate of high school students in Southeast Ohio.

    * **Teaching Leadership Consortium of Ohio.** This consortium of five universities, the Cleveland Foundation, Ford Foundation and the Board of Regents, has developed a program to strengthen the recruitment, retention, graduation and career success of minorities interested in the teaching profession. Ohio is one of eight states in the nation targeted for participation in this Ford Foundation project, and it is the only northern state participating.

    * **Student Achievement in Research and Scholarship Program (STARS).** STARS is designed to increase significantly the number of African-American, Hispanic and Native American students who receive doctoral degrees and choose careers in the professoriate. STARS faculty mentors identify promising students at the freshman or sophomore year of college and help them pprepare for graduate school and a career in college teaching and research.

- **Postsecondary Education Demonstration Laboratories.** A ten-year demonstration project to bring all area colleges and universities, school districts, and community agencies together in the resolution of student access and retention problems. Each of seven communities have planned collaboratively how to keep students from "falling through the cracks" of the education system, and what type of interventions are needed to improve the success of students at all levels of education. Demonstration sites included Athens, Cincinnati, Cleveland, Columbus, Dayton, Youngstown and Meigs County. (Funds were not provided in the Fiscal Year 1991-1993 appropriations to sustain these programs.)

Retention

- **JOBS Student Retention Services Program.** The federal JOBS (Jobs, Opportunities and Basic Skills) program assists recipients of public assistance to become self sufficient by providing opportunities for college training for a career. The JOBS Student Retention Services Program, a partnership between the Board of Regents, Department of Human Services and Ohio's two-year colleges, provides special support services during the student's first year of college, to help the student learn about existing college resources and develop the motivation and self confidence to independently achieve their educational goals. More than 5,000 JOBS students have been served in this program since 1990, with an 80% student retention rate.

- Developmental Education. This budget line item provides funding for special materials, tutorials, learning laboratories and other support services for developmental and remedial students on the college and university campuses. Funds are also provided for the Early Mathematics Placement Testing Program; Early English Composition Assessment Program; and the State match for federal Eisenhower Program science remediation – all designed to pair college/university and high school faculty together to improve the teaching and learning process so that fewer students graduating from high school need remediation when they attend college. (Funds were not provided in Fiscal Year 1991-93 to support developmental education.)

- Urban Initiatives. Central State University, in collaboration with Cuyahoga Community College and the University of Cincinnati, have been focusing attention on the improvement of language arts skills of school children and college students from inner-city environments of Cleveland and Cincinnati. (Funds were not provided in Fiscal Year 1991-93 to support the Urban Initiatives Program.)

- Articulation and Transfer. As directed by the Ohio General Assembly, the Ohio Board of Regents developed a statewide policy on student articulation and transfer from one college to another within the state. The Board is now developing an electronic student transfer data base and student performance tracking capability to fully implement the policy now in place.

ACCESS & RETENTION PROGRAMS
CAMPUS INITIATIVES*

EARLY INTERVENTION (ie. college prep programs, career counseling, and college information sessions for K through 12th grades)	
Project Bridges Cleveland State University	Wright Start Wright State University
Making High School Count University of Akron	STEP (Strive Toward Excellence Program University of Akron
SCOPE (Summer College and Occupational Preview Experience) Youngstown State University	Urban Youth Camp The Ohio State University/ATI
LINKS Ohio University	College For Kids Lakeland Community College
RECRUITMENT (traditional admissions recruitment efforts focusing on minority students)	
Hispanic Outreach Program University of Toledo	Explore Day The Ohio State University/ATI
Minority Student College Forum Kent State University/Stark Campus	Minority Graduate Recruitment Cleveland State University
ACE Edison State Community College	Project MIND Bowling Green State University/Firelands College
Graduate Minority Visitation Program University of Cincinnati	
PRE-COLLEGE PREPARATION (ie. orientation, college prep programs, and college survival skills for newly admitted students)	
New Directions Sinclair Community College	College Survival Skills for High Risk Freshmen University of Akron
New Minority Student Orientation Program Sinclair Community College	Project CAP (College Adjustment Program) Ohio University
TLC (Tender Loving Care at the Tech Learning Center) Muskingum Area Technical College	Pre-Engineering Program (part of Upward Bound) University of Akron
M^2SE Program University of Cincinnati	

*This is a sample of programs available and not a complete list.

ACCESS & RETENTION PROGRAMS
CAMPUS INITIATIVES*

FINANCIAL (incentives, rewards, scholarships etc.)	
Project Excel University of Toledo	Minority Incentive Award Program Lorain County Community College
Foundation Scholarship (Summer Institute) Sinclair Community College	
ACADEMIC PROGRAMS (ie. high risk student academic programs, math and writing labs, remedial coursework, study skills programs)	
The Reading Recovery Project The Ohio State University	STAY Program Sinclair Community College
GROW Classes Edison State Community College	Academic Skills Program Kent State University/East Liverpool Campus
Success Seminars Clark State Community College	
MENTORING/SOCIAL ADJUSTMENT PROGRAMS (ie. special interest housing, mentoring programs, cultural rooms)	
Mentoring Program Cleveland State University	Young Scholars Program The Ohio State University
Minority Student Support Group Sinclair Community College	College Adjustment Program Ohio University/Chillicothe
Minority Leadership Development Program Sinclair Community College	Matches Shawnee State University
MONITORING/DATA COLLECTION (data collection and monitoring, evaluation, early warning systems)	
Midterm Grade Reporting System University of Akron	Minority Student Academic Intervention Program Sinclair Community College
Early Warning Program Kent State University	Graduate Exit Interviews Edison State Community College
Early Alert Program Clark State Community College	Directed Studies Program Edison State Community College
INSTITUTIONAL LINKAGES (transfer agreements, adopt-a-school programs, partnerships with businesses and other schools)	
Partners in Excellence Miami University/Hamilton	LINK Program (Adopt A School) Cleveland State University

***This is a sample of programs available and not a complete list.**

ACCESS & RETENTION PROGRAMS
CAMPUS INITIATIVES*

Minority Engineers Industrial Opportunity Program Case Western Reserve University	Center for Articulation & Transfer Opportunities Cuyahoga Community College
EECap Kent State University/Tuscarawas Campus	Garfield Alliance Miami University/Hamilton
I Know I Can Program The Ohio State University	Middle School Career Program North Central Technical College
RETENTION (ie. retention teams, campus climate, campus-wide education efforts, staff development)	
The Culture Club Raymond Walters College/UC	The Special Needs Program University of Rio Grande
Retention Contact (Letters and Phone Calls) Kent State University/East Liverpool Campus	Graduate Summer Bridging Program The Ohio State University
ASPIRE (Adult Support Program-Initiation, Retention, Education) Raymond Walters College/UC	Minority Telemarketing Registration Program Sinclair Community College

*This is a sample of programs available and not a complete list.

Appendix E

State-Level & Public College & University Efforts to Improve Quality

STATE-LEVEL EFFORTS
TO IMPROVE QUALITY

As a carefully designed, integrated package of quality improvement initiatives, the Selective Excellence Program represented the Board's first attempt to target funds to a specific statewide goal to be achieved in higher education. Overall, the Selective Excellence Program has represented about 3% of the higher education operating appropriations each biennium. This investment by the state in the long-term qualitative gains in Ohio's higher education institutions is beginning to reap many benefits. A comprehensive evaluation of the Selective Excellence Program is currently being conducted, with results expected in October 1992.

The Selective Excellence Program includes the following components which have been phased in over several biennia:

- Ohio Eminent Scholars Program: Since 1983, 36 Ohio Eminent Scholar awards of $500,000 each have been made to Ohio's strongest public graduate and research programs, through a rigorously competitive process. As of April 1990, Ohio's Eminent Scholars have attracted more than $11 million in externally sponsored research support to Ohio.

- Program Excellence: A competitive program which recognizes Ohio's best public undergraduate programs, Program Excellence has awarded 87 enrichment grants of up to $200,000 each in recognition of high quality programs. As a result of this competition, institutions have become more sensitive to standards and measures of quality, and programs have benefitted from reviews by faculty peers from other colleges and universities.

- Academic Challenge Program: More than $140 million, compounded to reflect the six-year commitment in the formula to programs selected by colleges and universities, has been invested in the building of "centers of excellence" on Ohio's college and university campuses since 1985. Each campus was challenged to focus these resources on a few programs that were already strong or central to their mission, in order to substantially increase the quality and prominence of those programs.

- Research Challenge Program: Ohio, through the investment in Research Challenge, has signaled to the nation that it is investing in its own future as well as aggressively seeking private and federal research funds to support the development of new knowledge. In the 1987-89 biennium alone, the return on the state's investment was $8.34 for every $1 of Research Challenge funds – resulting in over $183 million in externally sponsored grants.

- Productivity Improvement Challenge: The community and technical colleges, as well as university branch campuses, have been challenged through this program to improve the delivery of state-of-the-art training and retraining programs for business and industry. The colleges have joined together, through EnterpriseOhio, to deliver customized and on-site training services anywhere in Ohio they are requested.

Complementary programs such as the Ohio Supercomputer Center, Ohio Aerospace Institute, and the Edison Technology Centers have stimulated both basic and applied research in Ohio, raising the prospects for economic revitalization. Ohio's investment over several years in instructional and laboratory equipment, attempting to keep pace with changes in technology, has also contributed to qualitative gains within the state's colleges and universities.

PUBLIC COLLEGE AND UNIVERSITY EFFORTS TO IMPROVE QUALITY

College and university leaders strategically identify measures for assessing quality and institutional effectiveness. The following is a sample of efforts to improve quality and measure outcomes on several college and university campuses. The list is not intended to be exhaustive, but provide the reader with an overview of the types of initiatives in place on Ohio's campuses.

Institutional Effectiveness and Measures of Quality

Institutions measure effectiveness and assess the quality of the academic experience through a variety of measures and means, including:

- Institutional Self-Study

The Bowling Green State University Task Force on Managing for the Future is recommending that the North Central Association self-study for the University be used as a framework for developing plans and processes to improve quality and to achieve growth or change in the future by substitution rather than accretion.

Other Strategies

Use of the principles of Total Quality Management to improve quality and contain costs through continuous improvement techniques.

Use of quality assurance surveys and the empaneling of permanent task forces charged with on-going quality improvement.

Institutional examination of the definition of quality and productivity and reward structures for faculty and staff.

- Assessment of Student Performance

Ohio University has developed a comprehensive approach to measuring effectiveness and quality on campus. This multi-dimensional approach consists of the assessment of students while they are enrolled and after graduation. Measures of assessment of quality include the following:

Increased numbers of applicants. The University experienced a 96% increase in the number of freshman applicants (despite the 25% decline in the number of Ohio high school graduates over the last ten years.)

Improved performance on standardized tests. Average ACT scores of new freshman increased 20% in ten years.

Decreased time to degree and student retention rates. Ten years ago, 52% of the entering class completed a bachelor's degree within five years. To date, under selective admissions, 70% of the University's freshman are expected to complete a bachelor's degree within five years. This compares with a national average of 50%.

Increased satisfaction of students. Survey of students regarding satisfaction with various aspects of the institution.

Employment rates of graduates. 80% of the 1980 bachelor's degree recipients were employed within one year of graduation and 90% of the 1990 class. Each year, over 70% of graduates reported working in Ohio. Thus, the state is not experiencing a net migration of graduates to other states.

- Tracking of Graduates

Student retention rates and follow-up surveys of graduates. For example, a follow-up study of North Central Technical College graduates for 1987-88 indicated that 88.7% of those responding felt that the course of academic study had prepared them for further study or employment in the workforce.

Graduate placement rates. For example, the Clark State Community College class of 1990 had a placement rate of 96% of all those available for employment.

Other Strategies

Employer evaluation of recent graduates

Graduation rates

Survey/tracking of students as they articulate from two-year to four-year campus

Surveying of local area of service to determine level of acceptability of college service to the community

Informal/formal meetings with students

- Evaluation of Faculty

Annual written evaluations, based on institutional mission and mix of teaching, research, service functions, and employing such strategies as 1)student evaluations of teaching, 2)scholarly activity, 3)quality and extent of research, including importance of research and availability of external funding.

- Assessment of the quality of instruction and the curricular review process

Sinclair Community College has been recognized for numerous innovations in instruction. TV Sinclair is an alternative course delivery system. Over 40 courses are offered each quarter through correspondence, take-home video cassettes, commercial and cable television, or on-campus through videocassette or audiocassette in a unique Individualized Learning Center. In addition, Sinclair recently entered into an innovative partnership agreement with Wright State University and Greater Dayton Public Television to provide Instructional Television Fixed Service (ITFS).

- Periodic academic program review

Wright State University, for example, reviews academic programs every five years. Some of the factors for analysis include: number of students, number of faculty, student/faculty ratio, class size, library holdings, student scores on standardized test (GRE, GMAT, LSAT, etc.), percentage of students employed within specific years of graduation, percentage continuing with graduate education, percentage of courses taught by graduate students or adjunct faculty, percentage of women and minorities among graduates of a program.

Muskingum Area Technical College engages in an Annual Academic Program Review Process. Academic programs with a history of low enrollment, low retention, limited graduates and/or lack of job placement has resulted in the deactivation of such programs.

Columbus State Community College, through its annual Program Review and Evaluation Report, provides both a statistical profile and a written analysis of productivity in each academic unit. Information from these reports is used to identify areas of low productivity (e.g., decreasing numbers of students, low cost analysis ratio, poor placement rates, or substandard evaluation scores) as compared with college-wide standards. The design of this model began almost 12 years ago, and has been cited as an exemplary institutional practice. It has also received national attention and publication as well as an award from the National Council for Research and Planning in 1983. As a part of the report, departmental "status reports" connect each department to three critical components of Columbus State's mission --student access, educational excellence, and accountability--and to the institution's Strategic Plan.

As one example of good practice in the area of departmental program review, the Cleveland State University's Managing for the Future Task Force evaluated various programs of study, specifically attending to issues of obvious duplication or obsolescence, in order to recommend programs (both administrative and academic support services) for consolidation or elimination. Throughout this process, they applied the following criteria, 1)centrality of mission, 2)quality, 3)demand, 4)comparative advantage, and 5)costs. The evaluative forces of these criteria, coupled with the principles of Total Quality Management, provided specific indices for resource allocation and resulted in specific recommendations for structural changes resulting in targeted savings of more than $2 million. As a complement to this process, the Task Force also recommended a reorganization of the university and a strengthening/recommitment to an urban university mission.

- External evaluations of performance, institutional effectiveness and quality

  Performance on state/national licensing/certification exams. For example, since 1985, 90% of Wright State University's nursing graduates have passed board exams on the first attempt.

  Periodic review of accrediting agencies/boards. Reviews of institutional/program effectiveness through such accrediting agencies as North Central Association of Colleges and Schools, the Ohio Board of Nursing, the National Court Reporting Association, and the Accrediting Board of Engineering and Technology, just to name a few.

Efforts to Improve Retention & Academic Success

- The Comprehensive Learning Center at North Central Technical College provides special classes and academic support services to encourage/promote student retention and academic success

- Through established academic standards, Youngstown State University evaluates incoming students for deficiencies and for placement into the appropriate level coursework (i.e. remedial or honors). In addition, YSU provides orientation sessions for students to ease in their transition.

- Muskingum Area Technical College connects issues of academic quality and access/retention issues through mandatory testing and placement of students in reading, writing, and mathematics, and through the Keys program that provides support group activities for new students and through the Access program specifically designed for students who have not been in school for at least 10 years.

- The Youngstown State University Foundation, a private organization, annually contributes 85% of its money to fund scholarships amounting to $2,445,513.

- The Success program at Marion Technical College personalizes services toward special needs populations and serves Aid for Dependent Children recipients who are "high risk." The program has a 90% retention rate and is very effective at getting individuals off welfare.

- Central State University's Adopted School Program is a collaborative effort between the University and local school districts that provide opportunities to educate "at risk" students by implementing a program which a) encourages student self-identity, self esteem, self concept, and self worth; b) motivates students to pursue higher education; c) encourages excellence and scholarship; d) encourages student concern for one another; e) promotes literacy learning, communication activities (reading, writing, listening), and thinking skill activities. Ten schools have been "adopted" since the beginning of the program in 1986.

- Through collaboration and cooperation with other agencies and organizations in the community, Shawnee State University is attempting to improve quality of service through cost saving programs that provide, at .

no cost to the University, a community service and a "feeder system" for recruiting students. These programs include several funded initiatives through the Community Action Organization (Career Life Planning, the GED program, Adult-BASICS). In addition, a local industry (Martin-Marietta) has provided funding for several programs such as the Math-Science Academy for high school students, providing an excellent recruiting device for potential freshman.

Appendix F

State-Level & Public College & University Efforts to Increase Efficiency

STATE-LEVEL EFFORTS
TO IMPROVE EFFICIENCY AND INCREASE COST SAVINGS

Subsidy formula. The higher education subsidy formula encourages cost-containment by allowing institutions to keep the money they save through prudent use of resources. Having their own "rainy-day" funds makes it possible for the colleges and universities to survive the instability in state funding.

Efforts to strengthen the preparation of high school students for college. A variety of early intervention programs have been used to reduce the need for remediation of high school graduates, and increase the chances for student success in college.

- Since 1980, the Ohio Board of Regents has conducted a survey of college and university remedial course enrollments in mathematics and English, providing a copy of the study to each school district in the state.

- In 1981 the Board of Regents and the Board of Education developed a college-preparatory curriculum to strengthen the academic preparation of college-going students. Ohio's high school students who successfully complete the college-preparatory curriculum are admitted unconditionally to the state's universities; without having completed the college preparatory curriculum, the student is conditionally admitted and placed in remedial courses if needed. The two state-level Boards are currently developing a technical-preparatory curriculum to strengthen the preparation of students for success in community and technical colleges.

- For more than a decade, the Board of Regents has funded programs that involve college/university faculty and school teachers in partnerships to improve student learning in mathematics, English and science.

    * Over 60,000 high school juniors are tested for their college readiness in mathematics through the Early College Mathematics Placement Testing Program administered by the Department of Mathematics of The Ohio State University. If needed, the students can then take additional mathematics courses in their senior year to prepare for college.

    * Through the Early English Composition Assessment Program, thousands of high school student writing samples have been assessed, and the teaching of writing in the schools has been improved. Approximately 35 Ohio colleges and universities have participated in this program since 1984.

    * The federal Eisenhower Mathematics and Science Education Improvement Program was created by Congress in 1984 and is used in Ohio to pair college faculty with elementary and secondary teachers to strengthen curriculum and teaching methods and to provide creative ways to stimulate student interest in science.

- Project Discovery links schools, colleges and universities together on a regional basis to systemically improve the teaching of mathematics and sciences at all levels. This project is one of a few nationwide to receive a multi-year National Science Foundation grant.

These efforts, combined with the college-preparatory curriculum and conditional admission standards, have led to a reduction in mathematics and English remediation levels in most of Ohio's public universities, and improved the academic success of students. The majority of students who need remedial coursework are now attending university regional campuses, community colleges and technical colleges.

Linking colleges and universities through technology. Several investments have been made in long-term cost-containment strategies through the development and use of technology for research, teaching, administration, and inter-institutional communication:

- The Ohio Supercomputer Center was established in 1987 to provide subsidized computing resources to Ohio faculty and administrators. The services of the Center are now available to Ohio research universities, both public and private, and to industry subscribers who pay a fee for use of the Supercomputer. The Supercomputer linkages are also used to support OhioLink and OARnet and will be used to support the statewide articulation and transfer of students.

- OhioLink, still in the development stage, will provide state-of-the-art library information and retrieval by linking the state's principal public and private academic libraries electronically to create a single collection of enormous magnitude. When fully operational, students, faculty and researchers will be able to quickly locate and retrieve materials regardless of their location around the state.

- OARnet (Ohio Academic Resource Network) is the regional electronic network for the state of Ohio. It serves the entire higher education community, providing Ohio access to scholars worldwide. OARnet also directly supports the research efforts of Ohio's business and industry. The Ohio Supercomputer, OhioLink, and databases of various types are accessible through OARnet. [ONet, the electronic network linking the two-year campuses, is being merged with OARnet to streamline operations.]

Encouraging collaboration, avoiding duplication. The most notable attempts to foster inter-institutional collaboration have been in research, job training, and health/medical education:

- The Northeast Ohio Universities Provost Group, which includes Cleveland State, Kent State, Youngstown State and Akron Universities, has been working for several years on joint planning of graduate degree programs in order to avoid duplication and to save costs by sharing resources.

- The Medical College of Ohio at Toledo, and Northeastern Ohio Universities College of Medicine each work with their neighboring colleges and universities to provide educational programs in medicine, nursing and allied health fields, as well as collaborative research in basic medical sciences.

- EnterpriseOhio is the two-year college network for customized job training and retraining for business and industry. Through the network, campuses share expertise and resources so that these services can be provided anywhere in the state they are needed.

- The Ohio Aerospace Institute and the newly formed Materials Network (MATNet) draw scientists and engineers from Ohio universities and industries together to maximize the state's potential gains from the creation and application of new knowledge.

- Area Health Education Consortia for more than a decade have linked on a regional basis university medical and health resources (teaching, research and service) more closely to community needs and the resolution of community problems.

PUBLIC COLLEGE & UNIVERSITY
EFFORTS TO IMPROVE EFFICIENCY & INCREASE COST SAVINGS

The college and university task forces identified a number of management and cost-containment strategies that could be used at the state-wide level and on the campuses to provide the highest quality services at lowest cost. The following is a representative sample of these strategies, and in some cases, specific institutional efforts are highlighted. A number of the initiatives have been in place for some time. For example, energy conservation strategies were begun in the early 1970's spurred on by the oil crisis. Other strategies are recent inventions as a result of the increasing use of technology to support administrative and academic services or as a result of growing concern regarding the cost of providing health care benefits to employees. In many cases, efficiencies in the following areas not only represent significant cost savings but also provide substantial enhancements to the quality of instruction provided on the campus.

Contain Costs

- **Clarify and communicate institutional mission.** Eliminate those programs and services no longer central to the mission.

  Review programs for centrality, quality and demand, to determine if the program/service should be enhanced, continued, consolidated, reduced or eliminated.

  Review support services for centrality, connection to other services, process improvements needed, and policies, rules and practices that need to be revised or eliminated.

  Mission/policy change in the Division of Continuing Education. (University of Toledo) To better meet the career-related needs of the community, the Division of Continuing Education has refocused its mission. The Division is a completely self-supporting operation and in the past, surplus revenues from this activity have been transferred into the University general fund to support other operations. The policy change will reduce the number of personal interest courses and focus instead on those endeavors that will assist Toledo residents in returning to work.

- **Develop more effective staffing patterns.** Rely more extensively on student workers, recruiting volunteers, and introducing flexible schedules.

  "Loaned Executive" Assistance. (Sinclair Community College) The College augments thinly staffed technical functions (insurance, employee benefits, investments) through the use of outside services, thus avoiding the cost of adding permanent full-time employees to the College (i.e. purchasing consultant, insurance consultant, physical plant consultant, attorney, architect, graphic designers, photographers, etc) and allows for the purchase of services on an as-needed basis.

Area Maintenance Shop. (Miami University) Within the physical facilities area of the university, work formerly done by skilled trade classifications has been reassigned to more cost effective semi-skilled workers who are capable of handling the work. This has resulted in an annual savings of approximately $60,000. Other savings in the physical facilities area have been realized through the effective use of personnel. For example, supervisory staff have been streamlined through attrition for a $37,000 annual savings and improved scheduling and the use of overtime payments have resulted in a savings of approximately $30,000 annually. In addition, the in-house design of mechanical/electrical systems constructions projects has saved $80,000 to $125,000 in consulting fees.

Early Retirement Incentive Program. (Clark State Community College) Since the implementation of the program, the College has saved $250,000 annually. The original investment of pay-out funds was recovered after the first 18 months of operation.

Other Strategies:

Use of adjunct faculty to improve efficiency and provide necessary flexibility for ebb/flow of enrollment profiles

Use of student workers to reduce costs and provide employment for economically disadvantaged students

Providing incentives in lieu of salary increases (i.e. personal days)

Monitor overtime employment of staff and employ use of shift and alternate days off strategies

Provide variable term contracts (9 month, 10 month, 12 month)

Provide variable work week schedules in offices which experience highs and lows (weekly, monthly, seasonally) in workload

Use of four-day work weeks in which staff schedules are rotated but the office unit continues to operate for full service hours

Development of procedures for "sharing" support services (i.e. secretarial)

- Use technology. Streamline communications, improve processes and decisions, and increase instructional productivity within institutions as well as among institutions.

Quality/Efficiency Enhancements Through Technology (Columbus State Community College) - The College's administrative computer system provides daily, up-to-date information on admissions, registration, course enrollment, and student performance. The availability of adjunct faculty, combined with this current information, enables the college to expand or reduce course sections each quarter to accommodate fluctuating student enrollments.

Installation/Maintenance/Repair of Equipment. (Bowling Green State University) The University has been performing its own microcomputer installation, repair and maintenance resulting in a savings of over $150,000 per year. Similarly, the University installs, maintains, and repairs single line telephones. Contracted service for this would cost over $150,000 per year.

Other Strategies:

Cross referencing of student, employees, alumni to eliminate duplication of mailing

Use of postal pre-sort services and reduction of overnight mail service

Consolidation of all appropriate university-wide memos/notices into one weekly notice

Development of a single data base for student records with decentralized access for such student service areas as Admissions, Registration and Records, Student Financial Aid and Student Accounts

Implementation of a telephone registration system to improve service to students and ease the registration process

Monitoring of optimum class size for planning/scheduling purposes

- Consolidate purchases. Collaborate with other colleges and universities or community organizations, especially for big-ticket items such as insurance (health and risk) and equipment.

  Group Purchasing Plans (Jefferson Technical College). To maximize the purchase of goods and services the college maintains membership in and uses the purchasing contracts of the Inter-University Council and the Educational and Institutional Cooperative purchasing groups. The college is currently working with the other two year colleges regarding the formation of a group for the purpose of obtaining lower rates for workers' compensation and property/liability insurance.

- Reduce energy and maintenance costs. Reduce energy and maintenance costs through deliberate planning and action.

  The Energy Management Program (Ohio University). The Energy Management Program, through individual projects that have impacted the use of all utilities (coal, gas, electricity, and water) has had a total cost avoidance estimated at $5,554,779 over the first ten years of the program. An investment of $490,798 in the last four years alone has resulted in a cost avoidance for the same time period of more than $3 million.

Energy Management System. (Kent State University) The Energy Management System controls and monitors critical building functions, providing the earliest possible alert to fires, floods and technical programs that could, if undetected, cause significant damage to facilities and disruption of services. The EMS and other energy-related measures set in motion since the mid-70's have resulted in a 28% reduction in energy use on campus. Conservatively, this translates to a savings of $3.5 million in energy costs.

University Recycling Program. (Miami University) The University Recycling Program is presently recovering 35% to 37% of the solid waste stream, which is approximately comparable to the waste generated by 50 academic and administrative buildings. In addition, the National Association of College and University Business Officers has singled out the physical facilities department at Miami University for many cost reduction awards. Awards for the "Use of Semi Trailers for Storage", "Refurbishing of Classroom Furnishings in Lieu of Replacement with New Furnishings", "Low Cost Modification of Electrical Distribution System to Provide Common Secondary Neutrals:, and "Reducing Solid Waste Disposal through Recycling of Polystyrene (Styrofoam)" have been received. The annual savings of these programs amounts to $180,000 with an additional $130,000 in cost avoidance.

Competitive Bid Process. (Clark State Community College) The College has reinstituted competitive bidding processes for insurance and maintenance (heating and cooling) contracts with resulting reductions in expenditures of $60,000 per year since 1988.

Facilities Maintenance Program. (Youngstown State University) The preventive maintenance program of the University provides for operating and maintenance expenditures 18% below the national average ($2.63 per square foot versus $3.21).

Space Utilization (Ohio University). The space utilization and management plan is continually revised to have a cost efficient and appropriately sized system-wide physical plant. A key part of this plan is the development of procedures to use classroom space more effectively and provide more options for students to take classes during the entire day and throughout the week, thereby reducing the number of courses scheduled at competing times. Procedures were put into effect to insure that each academic department offers at least 10 percent of its classes at 8 a.m., 10 percent at 12 noon, and 10 percent after 3 p.m. Also, each department must offer at least 15 percent of its classes on Friday. The program has resulted in a reduction of student course closeouts and a significant increase in classroom utilization.

Additional Strategies:

Use of night and weekend set-back temperatures for heating/cooling to save energy during unoccupied building status

Replacement of building lights with long life, low wattage fluorescent type lights

Installation of energy efficient replacement windows throughout the campus

Transition from coal to gas fired boilers to effect more cost effective, environmentally safe service

Use of computerized controls of energy systems

Installation of an energy saving roofing system

- Collaborate. Collaborate with other colleges and universities in program and service delivery by sharing faculty, equipment, space, curriculum, and other resources.

  Facility and Staff Sharing (Muskingum Area Technical College) Muskingum Area Technical College shares facilities and staff with nearby Ohio University - Zanesville Branch. These campuses share plant operations, athletic and physical education facilities, library services, food service, security, student activities, maintenance, and bookstores.

- Privatize. Privatize those services that can be done more cost effectively by private vendors, e.g., custodial and food services.

Increase Productivity

- Set institutional expectations for faculty work load. Set expectations that are consistent with mission and make the most appropriate use of faculty time and talents.

- Develop ways to increase the amount of student learning generated with each hour of faculty instruction. Use technology, innovative teaching/learning methods to enhance student learning.

  Educational Delivery Program & Technology.(Ohio University) The Telecommunications Center, with the assistance of Regional Higher Education, has installed a higher education microwave system linking all five of the University's regional campuses with the Athens campus. The basic purpose of the system is to allow a faculty member on one campus to teach students simultaneously on two or more campuses. Over 60 hours a week are used for instruction and other microwave times are used to conduct teleconference meetings, training, and student job interviews. The system is also used for all telephone trunk lines between the campuses. The cost savings in faculty salaries, travel and telephone tolls are over $500,000 per year.

  Individualized Learning Center (ILC). (Sinclair Community College) ILC provides educational opportunities for students enrolled in eighty different courses. Instruction is delivered in a central location via audio-tutorial, video tape, and computer-assisted instruction. A Testing Center is adjacent to the ILC which enables students to take formative and summative tests as they progress independently through a course.

Conversion from Academic Quarters to Semesters (Edison State Community College). The College will convert from quarters to semesters in Fall 1993, thus saving a minimum of $110,000 annually to register students twice a year instead of three times. This conversion will provide a better learning environment for students as well as lessen costs.

Membership in the Southwestern Ohio Council for Higher Education. (Sinclair Community College) The Council, which promotes inter-institutional cooperation and cost effectiveness, provides such opportunities to the College as 1)cross-registration that permits students to enroll in courses not available at Sinclair, but available at other member institutions, 2)cooperative library activities including acquisitions, cataloging, serials, review, staff development, and inter-library loan of print and non-print materials,; 3)maintenance of an office at Wright Patterson Air Force Base to provide college educational information and services to interested personnel.

Other Strategies:

Use of local health care and human services agencies to provide supervision of college student practicums and absorb costs of these teaching/learning opportunities

Curriculum revision to focus on core academic issues and to eliminate specialty courses

- **Provide incentives.** Reward increased productivity in all parts of the institution.

- **Use Total Quality Management principles.** Develop more effective management and instructional processes.

Total Quality Assurance Program (Lorain County Community College) The College is in the second year of implementation of a Total Quality Assurance Program to insure the effectiveness of its programs and services and to promote the process of continuous improvement.

Reform or Restructure

- **Develop "system" goals and structure.** Develop "System" goals and structure for higher education in Ohio.

- **Institute systematic short- and long-range planning.** Systematic short- and long-range planning should be instituted on each campus and at the state level.

Strategic Planning Process. (Clark State Community College) The College has engaged in a strategic planning process as a means for evaluation and improving service. Since 1985, the College has reduced annual expenditures by $560,000 while planning for the transition to state community college that was accomplished in 1988.

- Create a flexible and adaptable organizational structure.

- Encourage innovation. Encourage innovation in instruction and management.

  Medical Telecommunications System. (NEOUCOM) NEOUCOM, with the assistance of the University of Akron, Youngstown State University, Kent State University and the Northeastern Educational Television of Ohio consortium (NETO), has completed the development and installation of a two-way interactive color television network among hospitals n the Akron, Canton and Youngstown clinical campuses. The system provides two-way interactive teaching and conferencing activities among the three consortium universities and eight major teaching hospitals. Associated cost savings include, but are not limited to minimizing the duplication of faculty effort, reducing the number and amount of stipend payments associated with visiting professor programs, reducing training costs associated with faculty/staff development, and providing a system for data transmission.

  Health Care Cost Containment Program (Ohio University). The University operates a self-funded health benefits program. In January, 1992, changes were made in the plan to provide greater cost savings and included: a graduated deductible payment that increases with higher staff salaries, increased share of cost of prescription drugs, instituted pre-tax spending accounts to assist the employee in defraying medical costs, increased areas covered under the utilization review program. The overall health care cost avoidance for fiscal year 1993 is projected to be in excess of $500,000.

  Pooled Insurance Carrier (Kent State University). Kent State University and 16 other Cleveland-area public and private colleges and universities that constitute the Cleveland Commission on Higher Education are exploring the possibility of jointly purchasing health insurance for their employees (the combined cost of which has reached a staggering $43 million).

- Foster collaboration and partnerships. Foster collaborative efforts between colleges and universities, community organizations, and business and industry.

  Community Based Consortium (Northeastern Ohio Universities College of Medicine). As a free-standing community based medical school, NEOUCOM is a leader in collaboration and cooperation. The structure of NEOUCOM enables the College of Medicine to deliver a high quality program without enormous capital expenditures typically associated with the development of academic health sciences centers. The eight major teaching hospitals provide students with access to excellent facilities (approximating $717 million in buildings and equipment) and total operating budgets in excess of $1.151 billion dollars.

  In the next decade, NEOUCOM will achieve additional economies through cooperative/collaborative endeavors such as the Cooperative Regional Library Depository. In this effort, NEOUCOM will construct and operate a high density, shared library storage facility combining filing, retrieval, and delivery services to provide economical storage of low-activity library books and other boxed materials.

The building will be a shared facility for use by The University of Akron, Cleveland State University, Kent State University, the Northeastern Ohio Universities College of Medicine and Youngstown State University.

NEOUCOM will also construct and operate a Clinical and Basic Sciences shared research facility. The College of Medicine has seven basic medical sciences departments located at the Rootstown campus and coordinates nine clinical departments among eight major teaching hospitals comprising clinical campuses in Akron, Canton and Youngstown. The Collaborative Research Facility will not only provided needed space, but will encourage collaborative research from all of these campuses.

Digital Equipment Company Service Consortium (Cleveland State University). A consortium of 32 colleges and universities has been formed, using Cleveland State University as the fiscal officer, to save each school 37% on the cost of maintenance for computers supplied by DEC. For a small ($10,000) annual fee, Cleveland State University administers the agreement. DEC agreed to steep discounts on maintenance costs by centralizing their billing. Total savings in 1989 were $574,270 and $606,970 in 1990.

Increase Income From Non-State Sources

- Remove caps on tuition and fees. Removing the caps on tuition and fees allows boards of trustees the full authority to balance institutional budgets in times of fiscal stress.
- Charge user fees. Charge user fees for special services provided to students and community groups.
- Collect reimbursement for indirect costs. Indirect costs from auxiliary services, grants and contracts can provide additional revenue.
- Increase private support. Foundations, alumni and friends are sources of increased private support.
- Encourage donations of goods and services (especially equipment). Business and industry are sources of needed goods and services.
- Manage enrollments. Manage enrollments to generate and sustain maximum subsidy, tuition and fee income while incurring only marginal increases in program expenditures.
- Increase Externally Funded Research and Sponsored Activity.

Technology Development. (University of Akron) The University has been aggressive in seeking patent protection for discoveries by its faculty and students. In 1991, the University hired an outside firm, on a commission basis, to actively pursue licensing opportunities possible with University-owned technology. In less than a year, the arrangement has yielded several new agreements which could produce significant licensing and royalty income in the future.

- Create profit centers from customized training for business and industry.
- Secure a better return on institutional investments. This would require changes in Section 135.14 of the Ohio Revised Code.

NATIONAL ASSOCIATION OF COLLEGE & UNIVERSITY BUDGET OFFICERS
COST REDUCTION INCENTIVE AWARD WINNERS
OHIO PUBLIC UNIVERSITIES

Several of Ohio's universities have received national attention for cost-containment efforts. These programs serve not only the state but are models of best practice for colleges and universities across the country. Award winners since 1987 are listed below.

1987

Miami University
    International Mail Service by Means of Remailers

Medical College of Ohio at Toledo
    Installation of Blow-Down Meters for Cooling

The Ohio State University
    In-House Renovation and Maintenance Program for Parking Garages

1988

Kent State University
    Boiler Jacket Heat Recovery

Miami University
    Laboratory Equipment Retrofit

University of Cincinnati
    State Universities of Ohio Motel/Hotel Discount Rates

1989

Miami University
    A Shared Installation Plan: The University and the Bank

Miami University
    Computer-Enhanced Student Athletic Progress Tracking System

Miami University
    Instrumentation Laboratory Plastics Fabrication Program

1990

The Ohio State University
    Bar-Coded Student Long Distance Service Registration

Bowling Green State University
    Reusable glassware versus Disposable Paperware

1991

Wright State University
    Paperless Loan Application Process

Miami University
    Reducing Solid Waste Disposal Costs

Appendix G

Revenue & Expenditure Sources for Ohio Public Colleges & Universities

TABLE 9 - Revenues per FTE student, per full-time faculty member, and per 1,000 capita, by selected sources and by control and level of institution, 1988-89

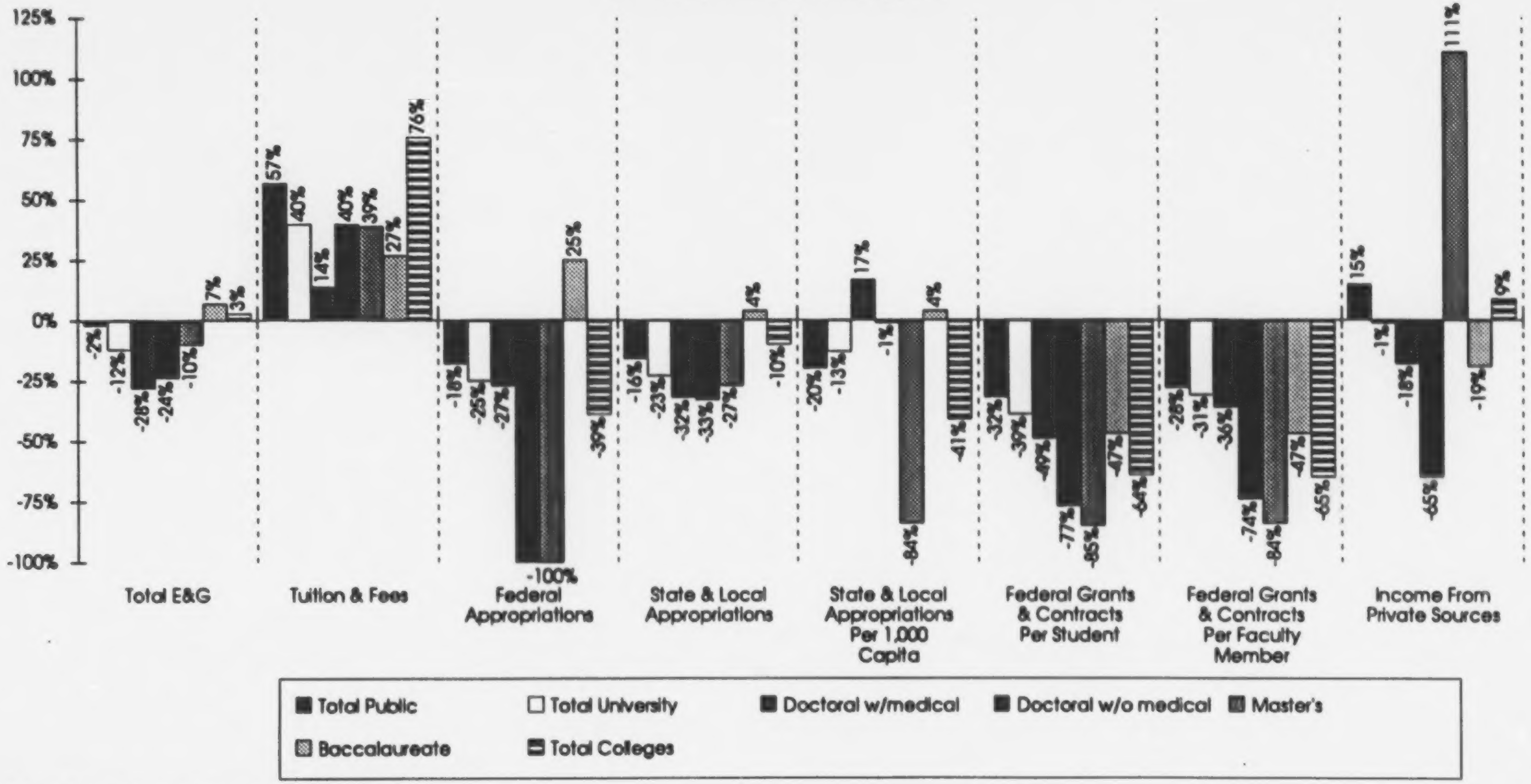
Control & level of institution	Total E & G revenues per student		Tuition and fees per student		Federal appropriations per student		State & local appropriations per student		State & local appropriations per 1,000 capita		Federal grants & contracts per student		Federal grants & contracts per faculty member		Income from private sources per student	
	Amount	Index	Amount	Index	Amount	Index	Amount	Index	Amount	Index	Amount	Index	Amount	Index	Amount	Index
Public	8,942	-2	2,730	57	62	-18	4,194	-16	157,288	-20	640	-32	15,720	-28	544	15
4-year-and-above	10,234	-12	3,092	40	77	-25	4,609	-23	128,844	-13	834	-39	19,482	-31	713	-1
Doctoral with medical	13,748	-28	3,241	14	166	-27	5,982	-32	76,345	17	1,571	-49	36,938	-36	1,336	-18
Doctoral w/o medical	7,492	-24	3,131	40	0	-100	3,451	-33	43,411	-1	243	-77	5,882	-74	186	-65
Master's	6,238	-10	2,318	39	0	-100	3,288	-27	5,487	-84	37	-85	873	-84	283	111
Baccalaureate	6,345	7	1,917	27	20	25	3,809	4	3,602	4	149	-47	3,461	-47	87	-19
2-year	5,159	3	1,670	76	19	-39	2,979	-10	28,444	-41	72	-64	2,156	-65	47	9

Indexes are based on U.S. average of 0.

Source: State Higher Education Profiles: Fifth Edition *(Draft), U.S. Department of Education, OERI May, 1992*

Table 9: Ohio Revenues Per FTE Student, Full-Time Faculty Member 1,000 Capita Compared to National Average 1988-89

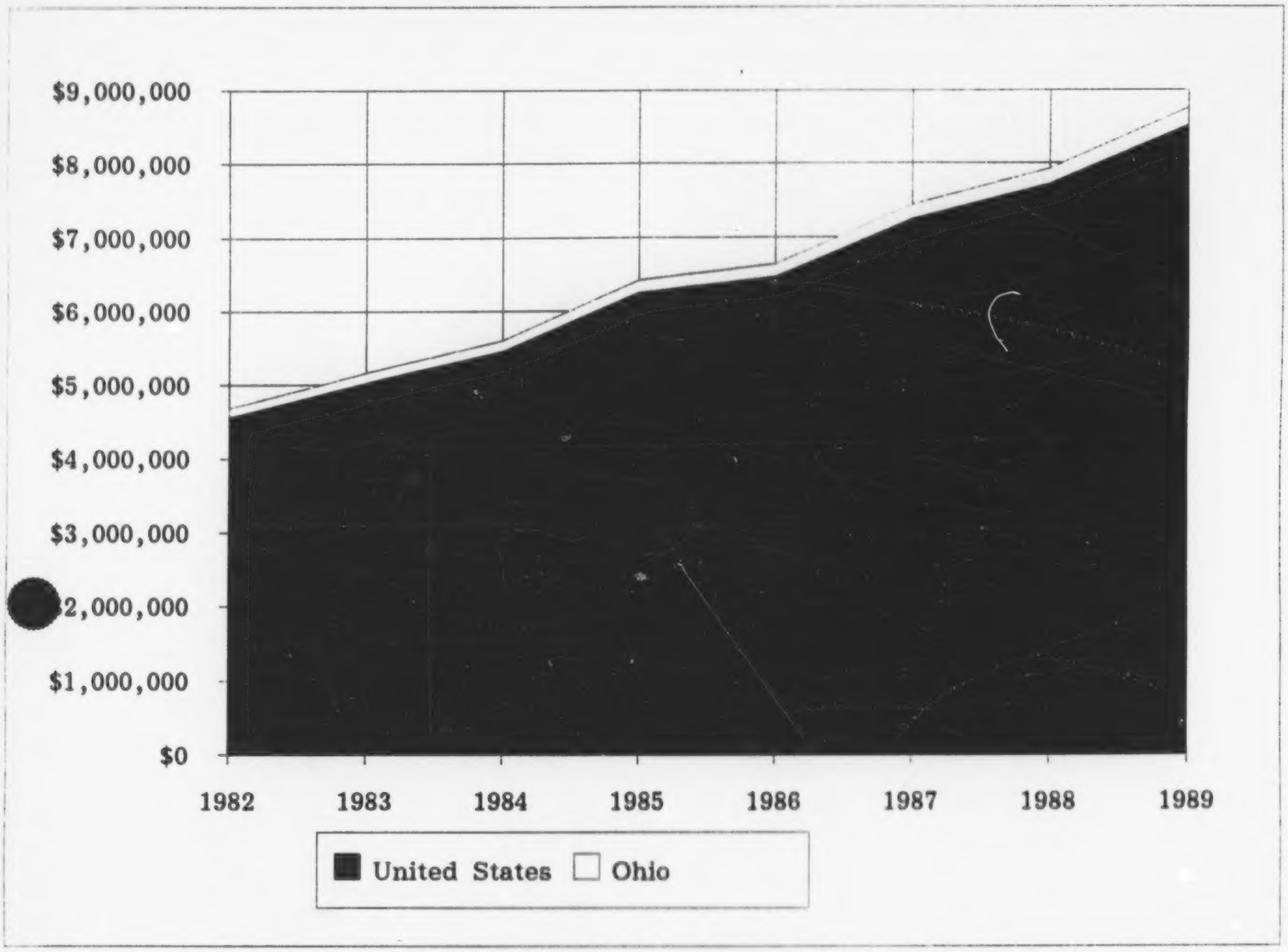
Indexes are based on U.S. average of 0.



E&G=Education and General (operating) revenues.

TABLE 10

Federal Spending for Academic Research and Ohio Colleges' and Universities' Percentage of Total



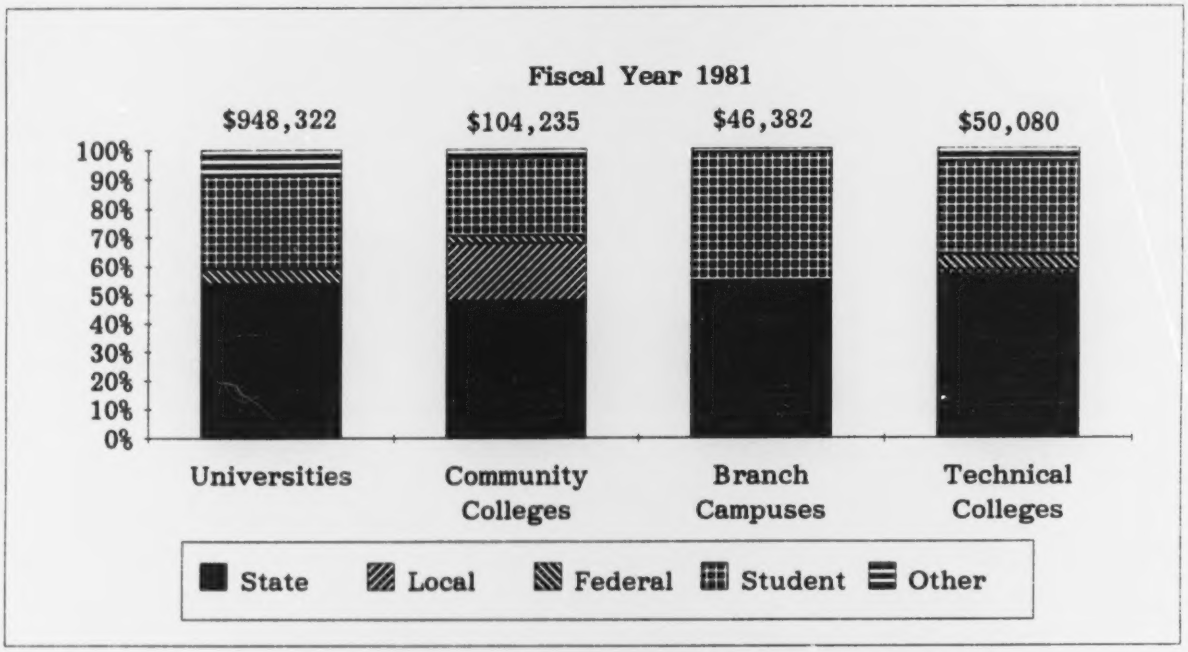
Federal Funds to Universities for R & D: FY 1982-1989

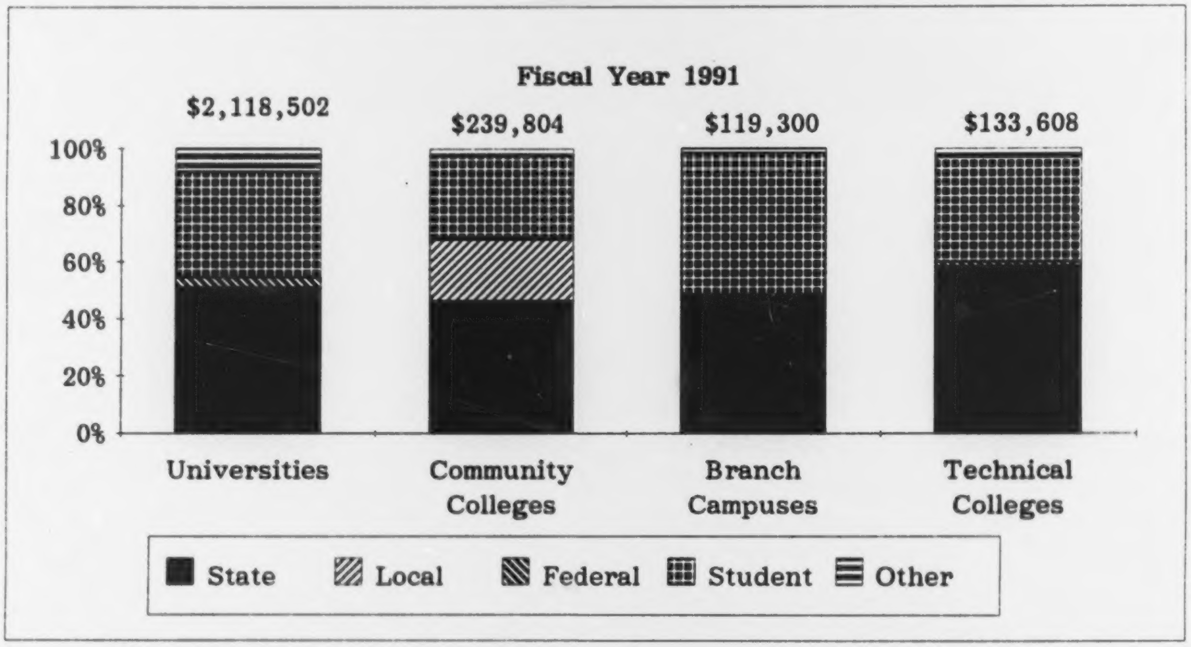
	1982	1983	1984	1985	1986	1987	1988	1989
United States	4,554,475	5,024,330	5,448,821	6,246,181	6,456,743	7,241,001	7,719,162	8,516,849
Ohio	129,207	138,882	148,999	171,831	179,050	199,011	210,593	238,131
Ohio's % of US	2.84%	2.76%	2.73%	2.75%	2.77%	2.75%	2.73%	2.80%

NOTE: Dollars in Thousands
SOURCE: NSF,Federal Support to Universities, Colleges and Nonprofit Institutions: FY 1989, Washington, 1991

TABLE 11

Ohio Public Colleges and Universities Source of Instructional & General Revenue by Sectors Fiscal Years 1981 and 1991



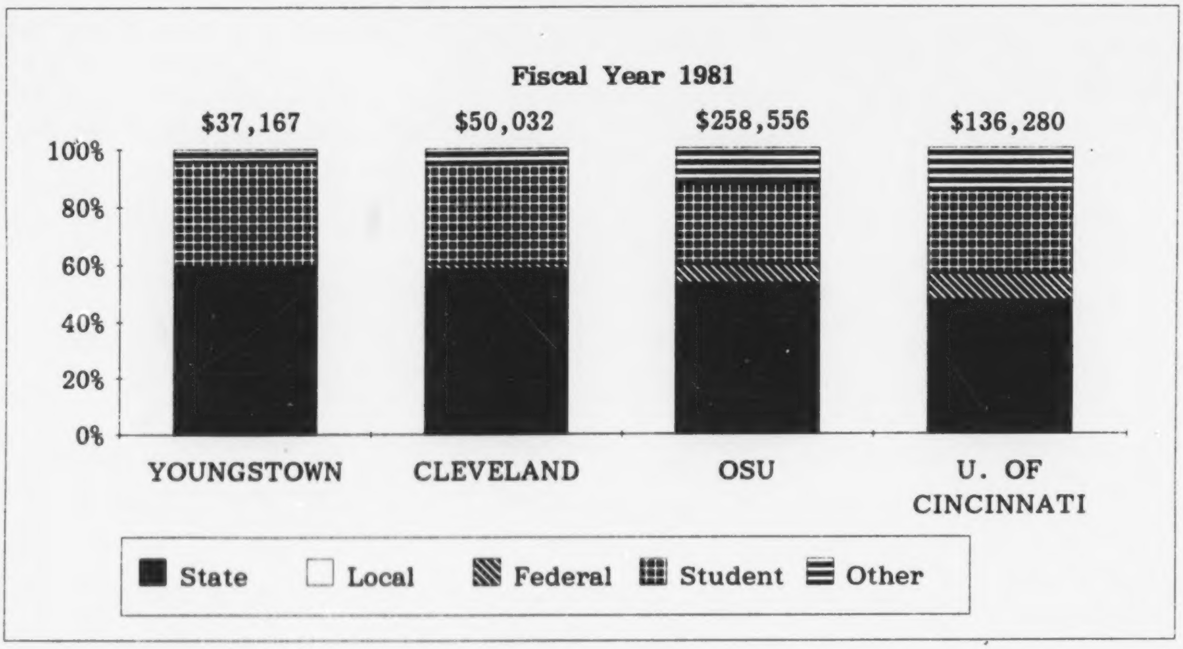


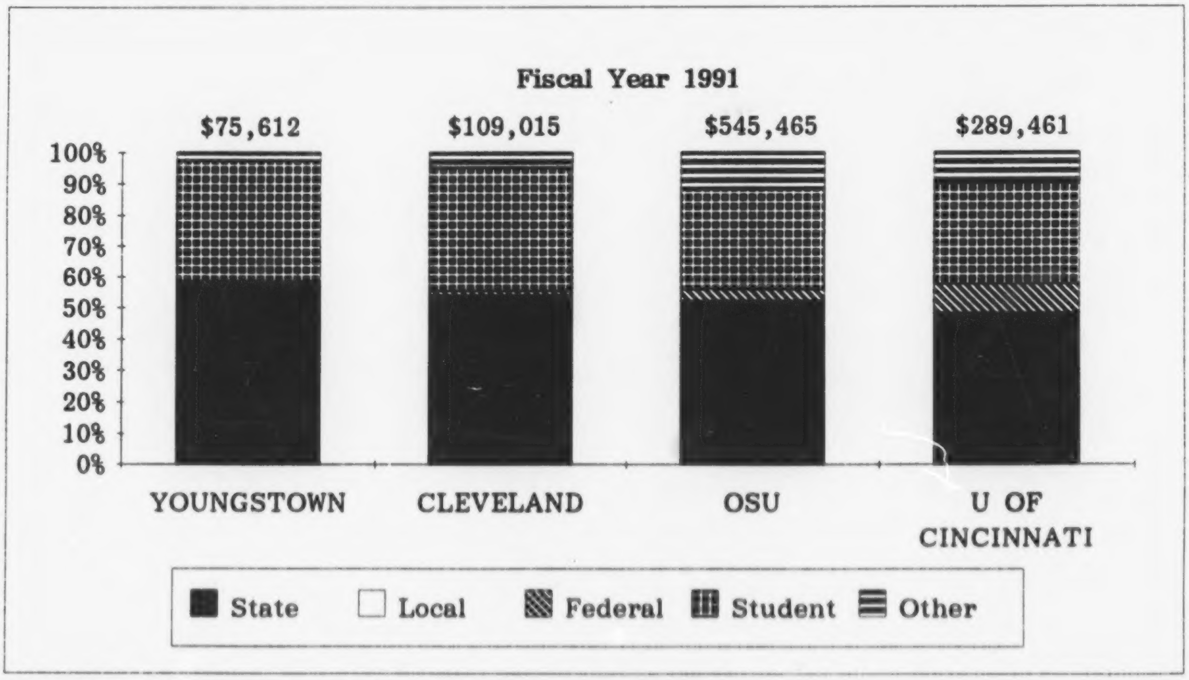
SOURCE: Basic Data Series, Ohio Board of Regents

NOTE: Dollars in Thousands

TABLE 12

Ohio Public Colleges and Universities Source of Instructional & General Revenue by Selected Universities Fiscal Years 1981 and 1991





SOURCE: Basic Data Series, Ohio Board of Regents

NOTE: Dollars in Thousands

TABLE 13

INSTRUCTIONAL& GENERAL EXPENDITURES*
DISTRIBUTION BY FUNCTIONS

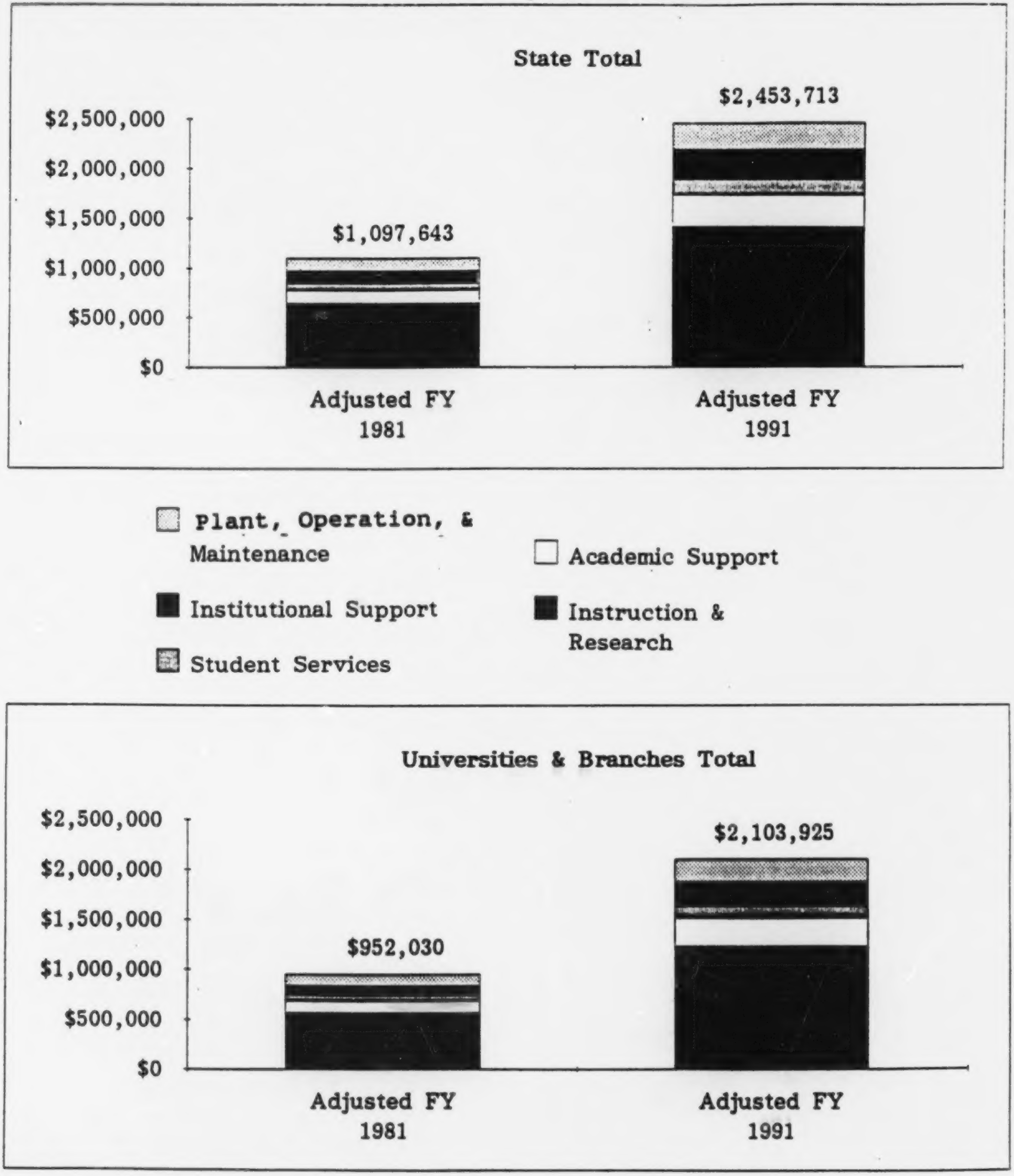
	Adjusted FY 1981*	% of Total	FY 1991	% of Total
STATE TOTAL				
Instruction & Research	**$637,113**	**58.0%**	**$1,406,011**	**57.3%**
Academic Support	$140,701	12.8%	$324,872	13.2%
Student Services	$66,804	6.1%	$152,504	6.2%
Institutional Support	$119,787	10.9%	$301,463	12.3%
Subtotal	**$327,292**	**29.8%**	**$778,839**	**31.7%**
Plant, Operation, & Maintenance	**$133,238**	**12.1%**	**$268,863**	**11.0%**
TOTAL	$1,097,643	100.0%	$2,453,713	100.0%
UNIVERSITIES & BRANCHES				
Instruction & Research	**$563,867**	**59.2%**	**$1,229,934**	**58.5%**
Academic Support	$125,327	13.2%	$290,081	13.8%
Student Services	$51,970	5.5%	$113,553	5.4%
Institutional Support	$95,167	10.0%	$240,696	11.4%
Subtotal	**$272,464**	**28.6%**	**$644,330**	**30.6%**
Plant, Operation, & Maintenance	**$115,699**	**12.2%**	**$229,661**	**10.9%**
TOTAL	$952,030	100.0%	$2,103,925	100.0%
COMMUNITY COLLEGES				
Instruction & Research	**$46,033**	**48.0%**	**$107,744**	**48.5%**
Academic Support	$11,204	11.7%	$22,408	10.1%
Student Services	$10,206	10.6%	$26,374	11.9%
Institutional Support	$16,240	16.9%	$39,996	18.0%
Subtotal	**$37,650**	**39.3%**	**$88,778**	**40.0%**
Plant, Operation, & Maintenance	**$12,238**	**12.8%**	**$25,423**	**11.5%**
TOTAL	$95,921	100.0%	$221,945	100.0%
TECHNICAL COLLEGES				
Instruction & Research	**$27,213**	**54.8%**	**$68,333**	**53.5%**
Academic Support	$4,170	8.4%	$12,383	9.7%
Student Services	$4,628	9.3%	$12,577	9.8%
Institutional Support	$8,380	16.9%	$20,771	16.2%
Subtotal	**$17,178**	**34.6%**	**$45,731**	**35.8%**
Plant, Operation, & Maintenance	**$5,301**	**10.7%**	**$13,779**	**10.8%**
TOTAL	$49,692	100.0%	$127,843	100.0%

*(Excludes Rio Grande)

SOURCE: Basic Data Series, 1981, 1991. Ohio Board of Regents

TABLE 13 - Illustration

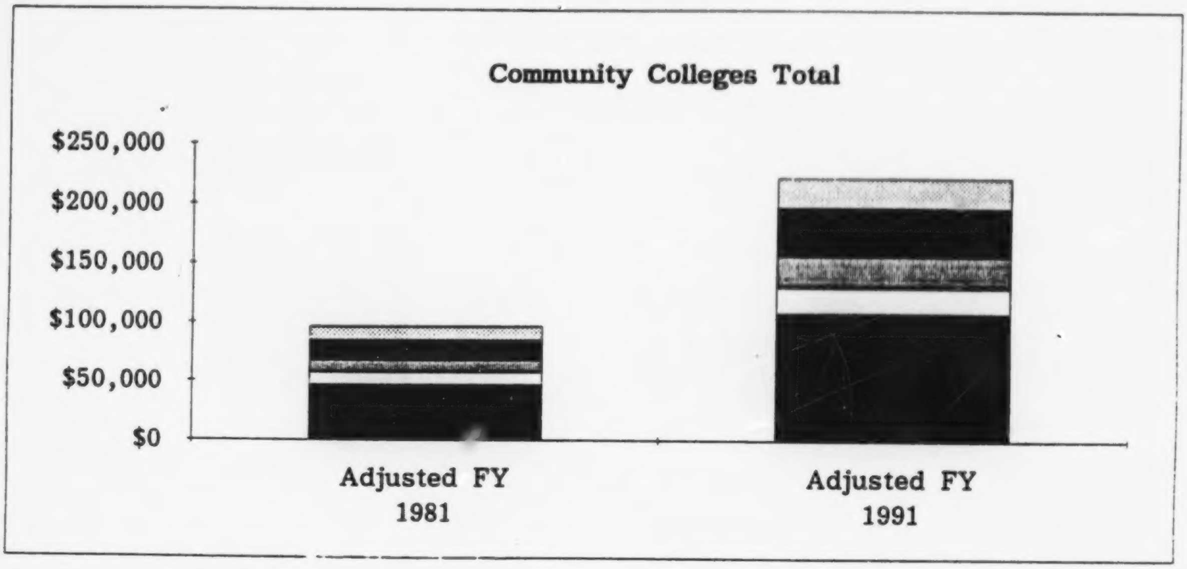
Instructional & General Expenditures (Excluding Rio Grande)
Distribution by Functions



SOURCE: Basic Data Series, 1981, 1991, Ohio Board of Regents

NOTE: Dollars in Thousands

TABLE 13 cont.
Instructional & General Expenditures (Excluding Rio Grande)
Distribution by Functions



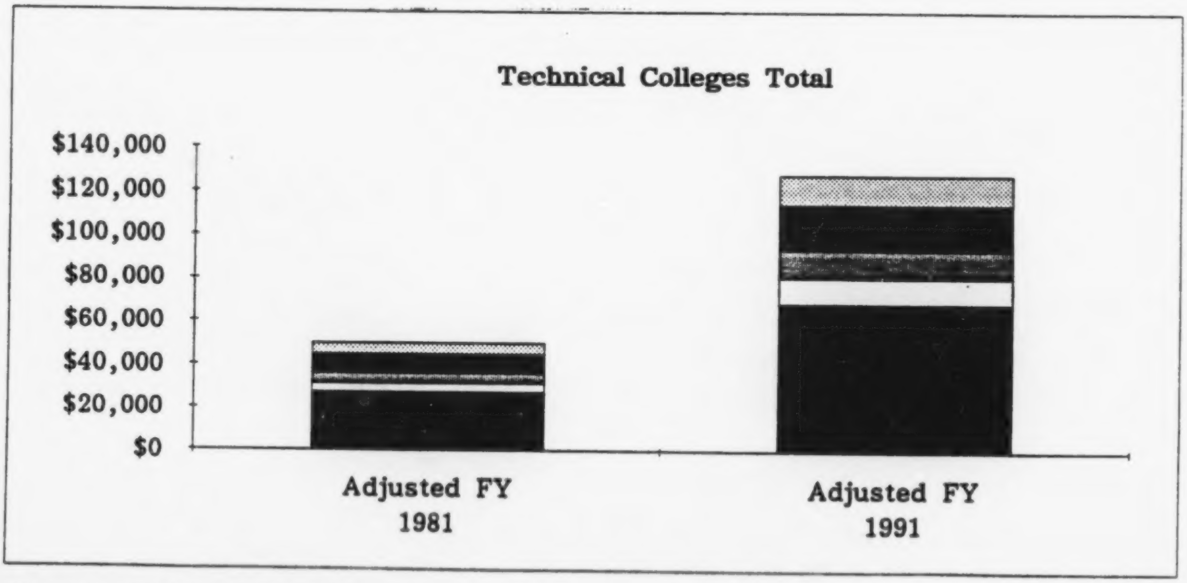
▨ Plant, Operation, & Maintenance

■ Institutional Support

▨ Student Services

☐ Academic Support

■ Instruction & Research



NOTE: Dollars in Thousands

TABLE 14

INFLATION–ADJUSTED EXPENDITURES/STUDENT FTE
INSTRUCTIONAL AND GENERAL

(Adjusted to FY 1991 dollars using CPI and HEPI; excludes Rio Grande)

	FY 1981 (CPI)	FY 1991	81 – 91 % Change (CPI)	FY 1981 (HEPI)	FY 1991	81 – 91 % Change (HEPI)
STATE TOTAL						
Instruction & Research	**$3,278**	**$4,137**	**26.2%**	**$3,660**	**$4,137**	**13.0%**
Academic Support	**$724**	**$956**	**32.0%**	**$808**	**$956**	**18.3%**
Student Services	**$344**	**$449**	**30.5%**	**$384**	**$449**	**16.9%**
Institutional Support	**$616**	**$887**	**43.9%**	**$688**	**$887**	**28.9%**
Subtotal	**$1,684**	**$2,292**	**36.1%**	**$1,880**	**$2,292**	**21.9%**
Plant, Operation, & Maintenance	**$686**	**$791**	**15.4%**	**$765**	**$791**	**3.4%**
TOTAL	**$5,648**	**$7,220**	**27.8%**	**$6,305**	**$7,220**	**14.5%**
UNIVERSITIES & BRANCHES						
Instruction & Research	**$3,633**	**$4,631**	**27.5%**	**$4,055**	**$4,631**	**14.2%**
Academic Support	**$807**	**$1,092**	**35.3%**	**$901**	**$1,092**	**21.2%**
Student Services	**$335**	**$428**	**27.7%**	**$374**	**$428**	**14.4%**
Institutional Support	**$613**	**$906**	**47.8%**	**$684**	**$906**	**32.4%**
Subtotal	**$1,755**	**$2,426**	**38.2%**	**$1,960**	**$2,426**	**23.8%**
Plant, Operation, & Maintenance	**$745**	**$865**	**16.0%**	**$832**	**$865**	**3.9%**
TOTAL	**$6,133**	**$7,922**	**29.2%**	**$6,847**	**$7,922**	**15.7%**
COMMUNITY COLLEGES						
Instruction & Research	**$1,834**	**$2,436**	**32.8%**	**$2,047**	**$2,436**	**19.0%**
Academic Support	**$446**	**$507**	**13.5%**	**$498**	**$507**	**1.7%**
Student Services	**$407**	**$596**	**46.7%**	**$454**	**$596**	**31.4%**
Institutional Support	**$647**	**$904**	**39.8%**	**$722**	**$904**	**25.2%**
Subtotal	**$1,500**	**$2,007**	**33.8%**	**$1,674**	**$2,007**	**19.9%**
Plant, Operation, & Maintenance	**$487**	**$575**	**17.9%**	**$544**	**$575**	**5.6%**
TOTAL	**$3,821**	**$5,018**	**31.3%**	**$4,266**	**$5,018**	**17.6%**
TECHNICAL COLLEGES						
Instruction & Research	**$1,941**	**$2,275**	**17.2%**	**$2,167**	**$2,275**	**5.0%**
Academic Support	**$297**	**$412**	**38.6%**	**$332**	**$412**	**24.2%**
Student Services	**$330**	**$419**	**26.9%**	**$368**	**$419**	**13.6%**
Institutional Support	**$598**	**$691**	**15.7%**	**$667**	**$691**	**3.6%**
Subtotal	**$1,225**	**$1,522**	**24.3%**	**$1,368**	**$1,522**	**11.3%**
Plant, Operation, & Maintenance	**$378**	**$459**	**21.3%**	**$422**	**$459**	**8.7%**
TOTAL	**$3,544**	**$4,256**	**20.1%**	**$3,956**	**$4,256**	**7.6%**

$ in thousands

Table 15: Ohio expenditures per FTE student, by function and level of control of institution, compared to the national average, 1988-89.

Control & level of institution	Total E & G expenditures		Instruction		Research		Public service		Academic support		Libraries		Student services		Institutional support		Operation & maintenance of plant		Scholarships & fellowships		E & G mandatory transfers	
	Amount	Index	Amount	Index	Amount	Index	Amount	Index	Amount	Index	Amount	Index	Amount	Index	Amount	Index	Amount	Index	Amount	Index	Amount	Index
Public	8,727	-1	4,178	12	798	-26	456	-3	618	12	264	-3	495	-1	807	-15	742	-8	303	1	67	-43
4-year-and-above	9,991	-10	4,793	6	1,068	-38	530	-21	721	3	312	-13	486	-8	813	-24	807	-17	373	-9	87	-48
Doctoral with medical	13,433	-27	6,100	-12	2,065	-48	884	-44	1,026	-16	372	-23	495	-12	854	-41	934	-32	564	-10	139	-43
Doctoral w/o medical	7,297	-23	3,828	0	270	-81	245	-42	511	-16	272	-24	462	-11	743	-21	708	-19	208	-46	49	-64
Master's	5,961	-9	3,223	1	17	-83	160	-2	237	-34	224	-15	432	-13	776	-12	658	-8	228	-7	4	-97
Baccalaureate	6,498	13	2,778	9	91	36	195	28	257	-18	178	-16	786	48	1,266	44	671	-2	252	-9	23	-77
2-year	5,025	4	2,374	-1	6	0	239	101	317	9	123	-2	520	14	788	5	553	3	95	-17	10	-71

· *Indexes are based on U.S. average of 0.*

Source: ***State Higher Education Profiles: Fifth Edition*** *(Draft), U.S. Department of Education, OERI May, 1992*

Table 15 - Illustration

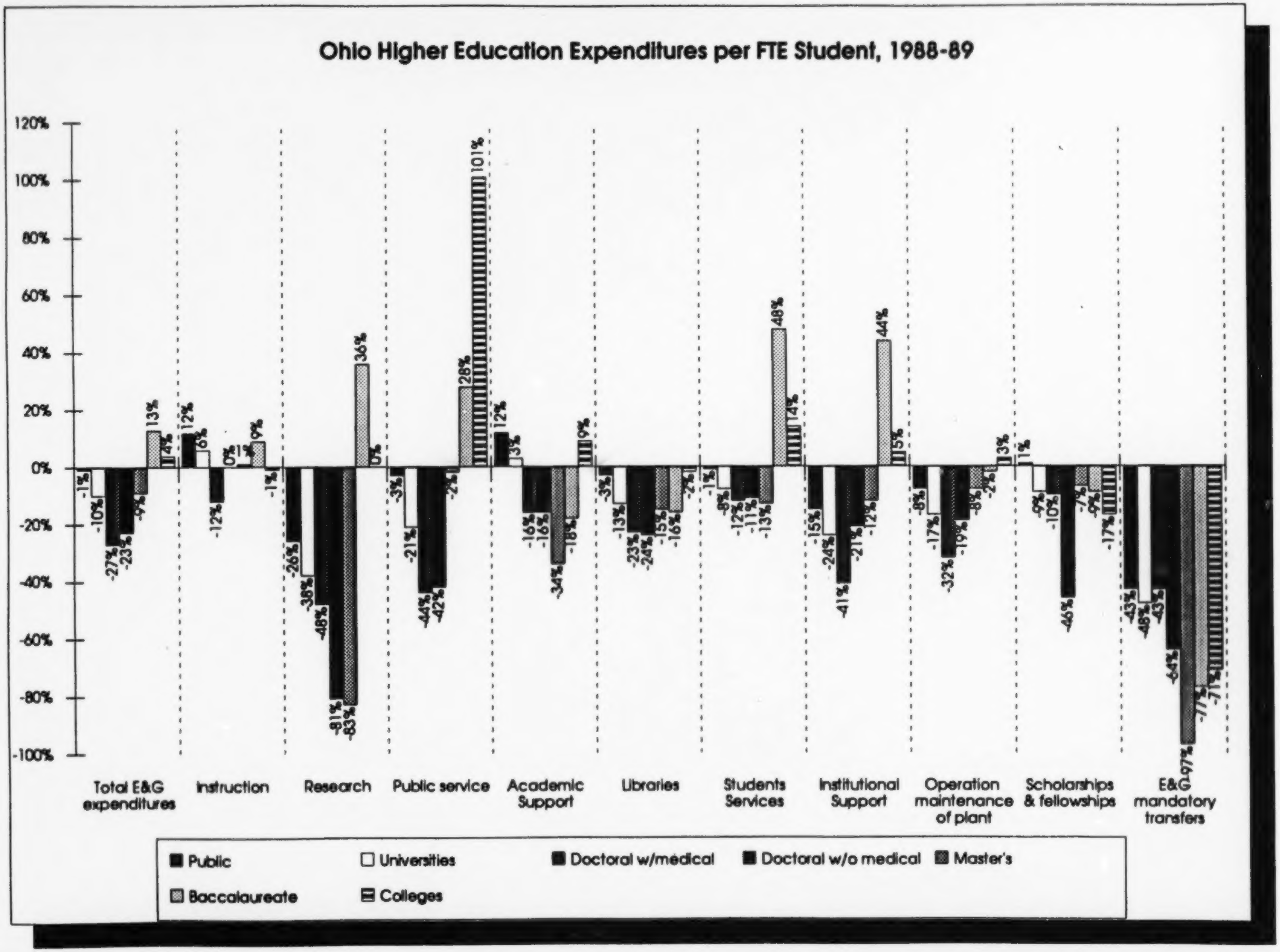


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Table 16

REGIONAL STATE COMPARISONS

FY 1988 - 1989

STATE	AVERAGE FTE ENROLLMENT	STATE SUPPORT PER FTE	TOTAL EDUCATIONAL EXPENDITURES* PER FTE	ADMINISTRATIVE EXPENDITURES PER FTE
ILLINOIS (5)	22,800	$6,199	$10,447	$836
INDIANA (4)	22,287	$5,744	$9,684	$1,316
KENTUCKY (2)	16,596	$8,972	$16,142	$1,055
MARYLAND (1)	30,374	$8,189	$12,021	$1,094
MICHIGAN (4)	27,698	$6,540	$12,622	$1,031
NORTH CAROLINA (3)	16,647	$9,387	$13,858	$1,060
NEW YORK (3)	15,708	$8,498	$10,994	$1,365
OHIO (9)	20,978	$4,203	$8,820	$739
PENNSYLVANIA (2)	23,357	$5,455	$13,953	$1,509
TENNESSEE (3)	14,326	$6,369	$9,309	$723
VIRGINIA (5)	14,886	$6,492	$11,563	$1,153
WISCONSIN (2)	28,119	$6,355	$11,744	$769
WEST VIRGINIA (1)	16,309	$7,414	$10,463	$1,228
REGIONAL AVERAGE (without Ohio)	20,759	$7,135	$11,900	$1,095
OH AVERAGE (N = 9)	20,978	$4,203	$8,820	$739

Notes:

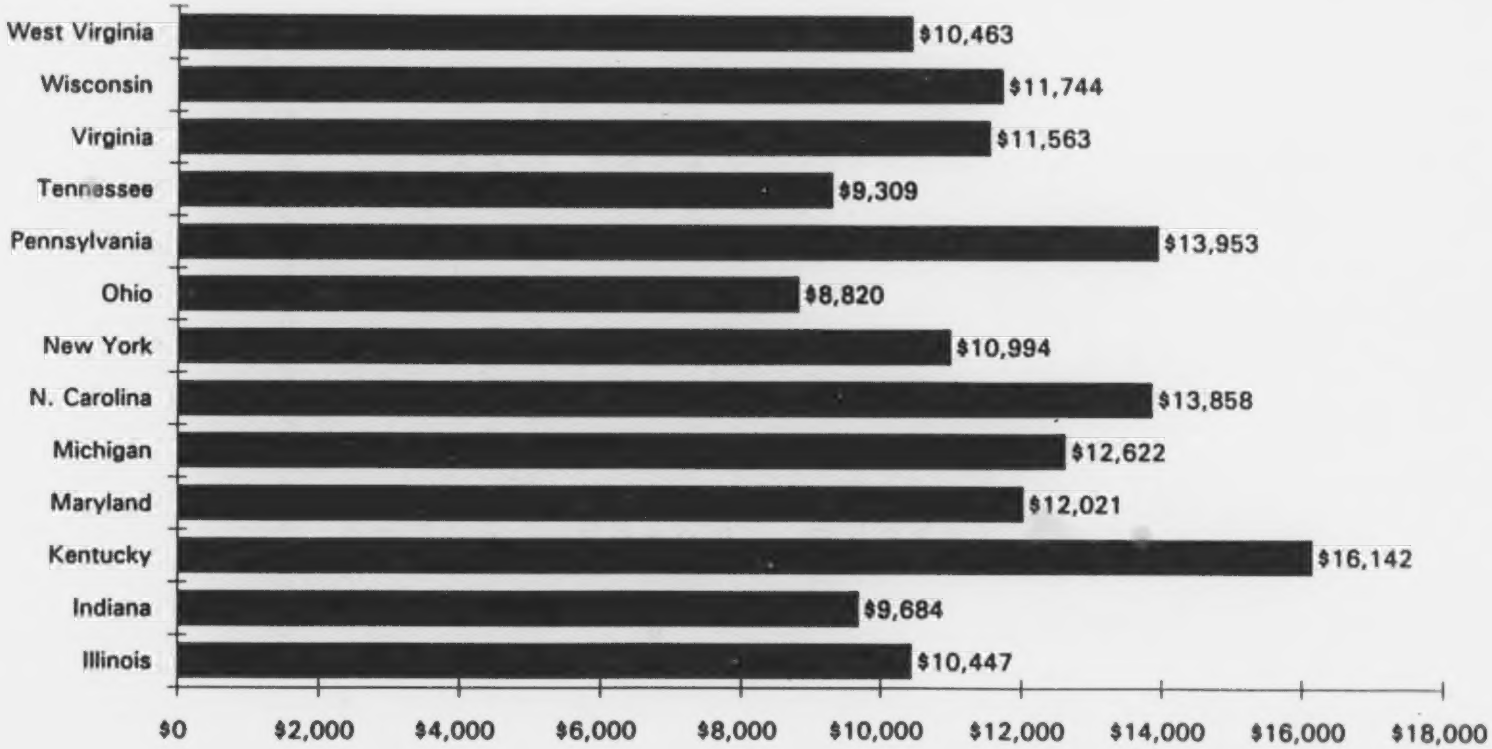
Data compiled by John Minter Associates from U.S. Department of Education data.

( ) respresents the number of public Category I (doctoral) institutions in the state.

*Includes state support, tuition and fees but excludes federal support.

Table 16 - Illustration

Regional State Comparisions: FY 1988 - 1989, Total Educational Expenditures Per FTE in Doctoral Granting Institutions



Includes state support, tuition and fees but excludes federal support

TABLE 17

Staffing Analysis
Instructional and General Staff Only

	Adjusted* Fall 1980 FTEs	Fall 1990 FTEs	% change	Ratio Staff/1,000 Student FTEs		
				Fall 1980	Fall 1990	% change
Statewide Totals						
Faculty	17,650	20,679	17.2%	58.6	60.6	3.5%
Faculty Support	4,144	6,791	63.9%	13.8	19.9	44.7%
Other	20,083	24,471	21.8%	66.6	71.7	7.6%
Total Staff FTEs	41,877	51,941	24.0%	139.0	152.2	9.5%
Total Student FTEs	301,343	341,187	13.2%			
Universities & Branches						
Faculty	14,615	16,571	13.4%	60.9	62.4	2.5%
Faculty Support	3,935	6,410	62.9%	16.4	24.1	47.2%
Other	17,929	21,256	18.6%	74.7	80.0	7.2%
Total Staff FTEs	36,479	44,237	21.3%	152.0	166.6	9.6%
Total Student FTEs	240,054	265,581	10.6%			
Community Colleges						
Faculty	1,929	2,598	34.7%	48.7	57.0	17.1%
Faculty Support	133	267	100.8%	3.4	5.9	74.5%
Other	1,445	2,061	42.6%	36.5	45.2	24.0%
Total Staff FTEs	3,507	4,926	40.5%	88.6	108.1	22.1%
Total Student FTEs	39,603	45,566	15.1%			
Technical Colleges						
Faculty	1,106	1,510	36.5%	51.0	50.3	–1.4%
Faculty Support	76	114	50.0%	3.5	3.8	8.3%
Other	709	1,154	62.8%	32.7	38.4	17.5%
Total Staff FTEs	1,891	2,778	46.9%	87.2	92.5	6.1%
Total Student FTEs	21,686	30,040	38.5%			

*Adjusted to reflect change in status of Shawnee, Clark, and Columbus.

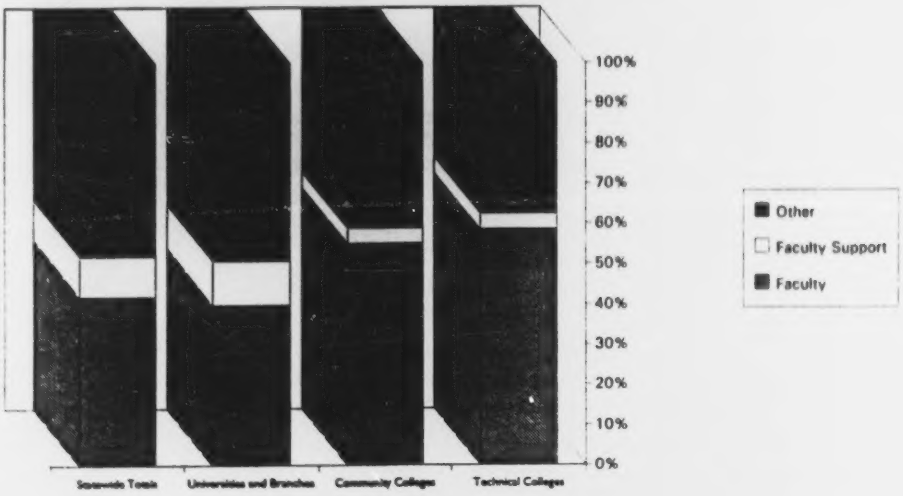
Source:

Staff FTEs: Ohio Board of Regents, Basic Data Series, staffing section, Fall 1980 and Fall 1990.

Student FTEs: Ohio Board of Regents FY 1981 and FY 1991 FTE reports.

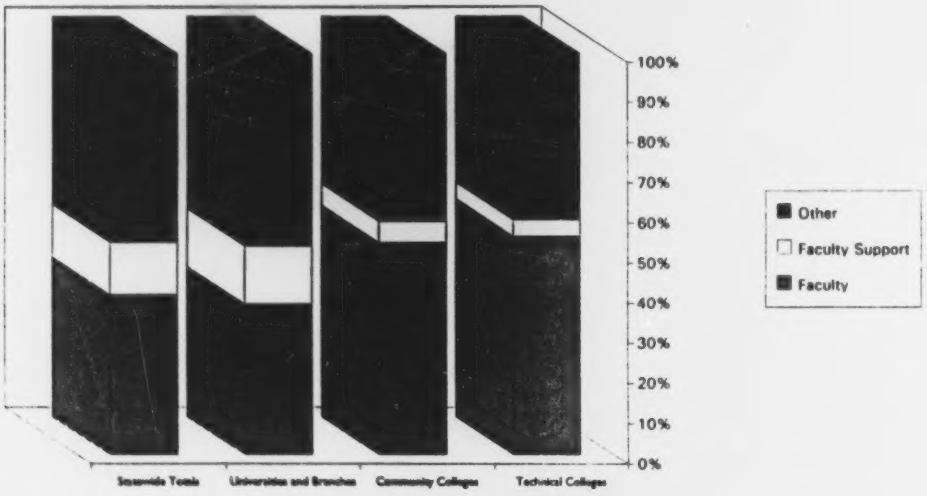
Table 17 - Illustration

Staffing Analysis: Instructional and General Staff Only, Adjusted Fall 1980 FTEs



Adjusted to Reflect Change in Status of Shawnee, Clark, and Columbus.

Staffing Analysis: Instructional and General Staff Only, Fall 1990 FTEs



(Source: Ohio Board of Regents, Basic Data Series, Fall 1990)

Classification of Staff
Ohio Board of Regents
Uniform Information System

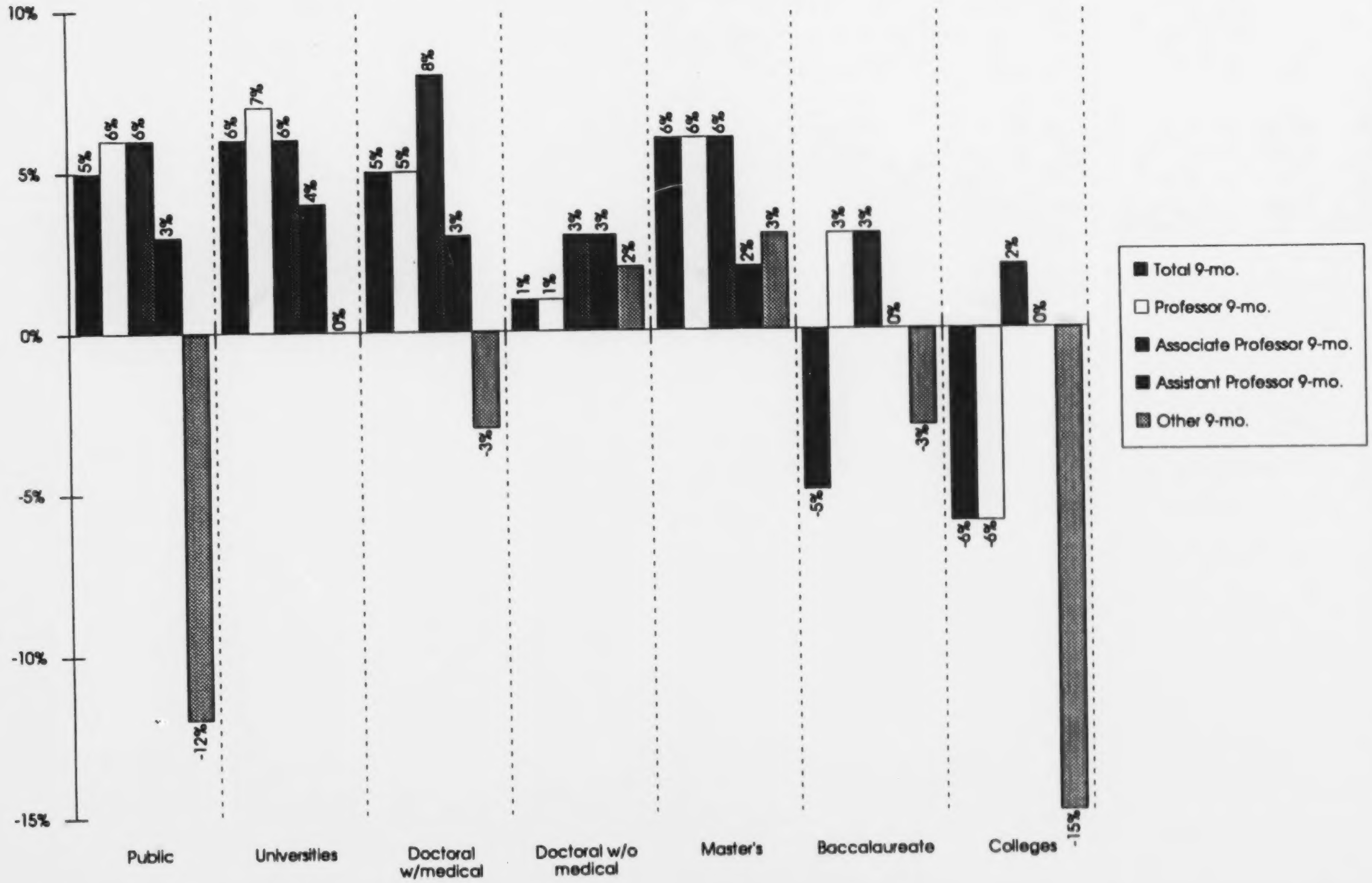
Faculty:	**Faculty Support:**	**Other:**
Professor	Professional Staff Members	Nonacademic Administrators
Associate Professor	Nonteaching Graduate Assistants	Clerical, Maintenance, Custodial, Food Service, Student, & Other Worker
Assistant Professor		
Instructor		
Graduate Instructor		
Other Instructor		
Academic Administrator (Deans, Departmental Chairs, etc.)		

Table 18: Ohio average salary and number of full-time faculty, by length of contract and academic rank and by control and level of institution, compared to the national average, 1989-90.

Control & level of institution	Total			Academic Rank Professor			Associate Professor			Assistant Professor			Other		
	Number	Average Salary	Index	Number	Average Salary	Index	Number	Average Salary	Index	Number	Average Salary	Index	Number	Average Salary	Index
							9-month contract								
Public	10,820	42,333	5	3,138	55,986	6	3,258	42,427	6	2,980	34,567	3	1,444	28,476	-12
4-year-and-above	8,492	44,820	6	2,837	57,504	7	2,785	43,225	6	2,410	35,226	4	460	26,510	0
Doctoral with medical	3,650	47,279	5	1,258	60,602	5	1,247	44,836	8	1,025	36,338	3	120	26,440	-3
Doctoral w/o medical	3,963	43,738	1	1,333	55,532	1	1,295	42,184	3	1,083	35,060	3	252	26,629	2
Master's	562	42,735	6	219	53,129	6	142	42,136	6	154	33,237	2	47	27,236	3
Baccalaureate	317	33,726	-5	27	45,998	3	101	38,204	3	148	30,808	0	41	25,149	-3
2-year	2,328	33,261	-6	301	41,678	-6	473	37,730	2	570	31,782	0	984	29,396	-15
	Number	Average Salary	Index	Number	Average Salary	Index	Number	Average Salary	Index	Number	Average Salary	Index	Number	Average Salary	Index
							12-month contract								
Public	957	54,701	11	337	73,125	9	250	53,209	3	183	42,866	0	187	35,075	3
4-year-and-above	728	60,581	11	331	73,758	9	223	54,841	4	153	44,251	2	21	32,828	-5
Doctoral with medical	504	60,748	8	220	73,733	4	150	55,593	3	123	46,054	2	11	35,670	-1
Doctoral w/o medical	212	60,901	14	107	74,067	11	71	53,247	3	27	37,068	-10	7	29,213	-5
Master's	1	-	-	0	0	-100	0	0	-100	0	0	-100	1	-	-
Baccalaureate	11	49,376	15	4	66,888	26	2	-	-	3	34,988	-1	2	-	-
2-year	229	36,006	3	6	38,188	-19	27	39,725	-3	30	35,800	0	166	35,359	5

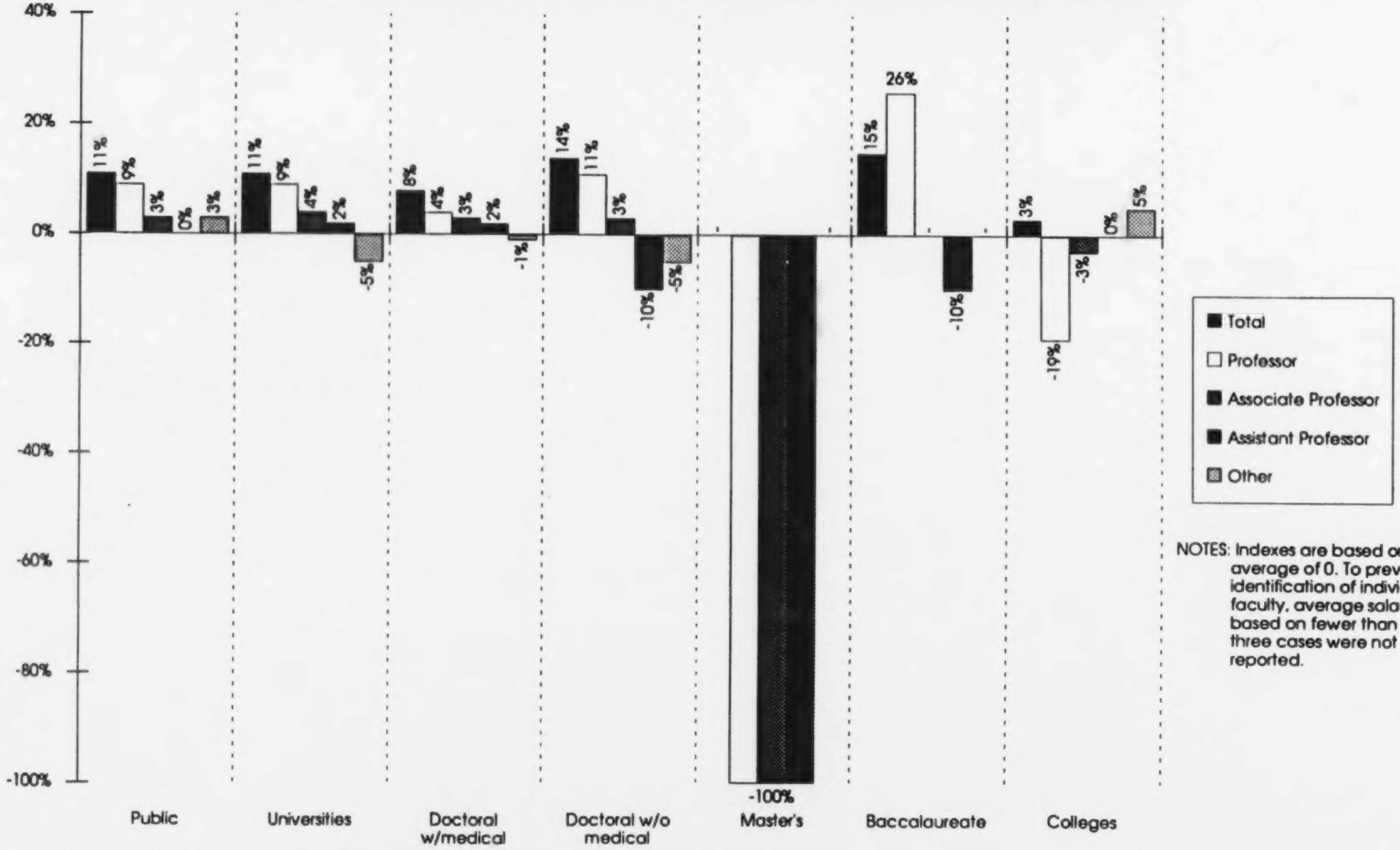
NOTES - Indexes are based on U.S. average of 0.
To prevent identification of individual faculty, average salaries based on fewer than three cases are not reported.
Data for 1989-90 were used because number of full-time faculty and expenditures for salaries were not collected in 1988-89.

Table 18a: Ohio Average salary (of full time faculty) by 9-month contract and academic rank and by control and level of institution compared to National Average, 1989-90



Source: High[illegible] Education Profiles, Fifth Edition (Draft), U.S. Department of Education, OERI, May 1992.

Table 18b: Ohio Average salary (of full time faculty) by 12-month contract and academic rank and by control and level of institution compared to National Average, 1989-90



NOTES: Indexes are based on U.S. average of 0. To prevent identification of individual faculty, average salaries based on fewer than three cases were not reported.

Source: Higher Education Profiles, Fifth Edition (Draft), U.S. Department of Education, OERI, May 1992.

TABLE 19

INTERCOLLEGIATE ATHLETICS
Revenues, Expenditures, and Other Changes
Year Ended June 30, 1990

INSTITUTIONS:	TOTAL REVENUES	TOTAL EXPENDITURES & TRANSFERS OUT	TRANSFER FROM GENERAL FEES	TRANSFER FROM OTHER*	TOTAL TRANSFER	TRANSFER/ TOTAL EXPENDITURES	TRANSFER PE FTE STUDENT
University of Akron							
Unrestricted	$2,080,077.00	$4,790,203.00	$2,700,000.00	$21,677.00	$2,721,677.00		$118.68
restricted	$287,279.00	$287,279.00	$0.00	$0.00	$0.00		$0.00
total	$2,367,356.00	$5,077,482.00	$2,700,000.00	$21,677.00	$2,721,677.00	54%	$118.68
Bowling Green State University							
Unrestricted	$1,619,294.67	$5,313,418.73	$3,610,737.00	$0.00	$3,610,737.00		$199.22
restricted	$0.00	$0.00	$0.00	$0.00	$0.00		$0.00
total	$1,619,294.67	$5,313,418.73	$3,610,737.00	$0.00	$3,610,737.00	68%	$199.22
Central State University							
Unrestricted	$689,848.00	$2,035,295.00	$1,345,447.00	$0.00	$1,345,447.00		$496.66
restricted	$0.00	$0.00	$0.00	$0.00	$0.00		$0.00
total	$689,848.00	$2,035,295.00	$1,345,447.00	$0.00	$1,345,447.00	66%	$496.66
University of Cincinnati							
Unrestricted	$2,109,408.00	$5,484,371.00	$3,209,824.00	$30,439.00	$3,240,263.00		$130.22
restricted	$582,097.00	$583,576.00	$0.00	$4,187.00	$4,187.00		$0.17
total	$2,691,505.00	$6,067,947.00	$3,209,824.00	$34,626.00	$3,244,450.00	53%	$130.39
Cleveland State University							
Unrestricted	$243,974.00	$2,203,502.00	$1,959,529.00	$0.00	$1,959,529.00		$140.77
restricted	$147,349.00	$147,979.00	$0.00	$15,107.00	$15,107.00		$1.09
total	$391,323.00	$2,351,481.00	$1,959,529.00	$15,107.00	$1,974,636.00	84%	$141.86
Kent State University							
Unrestricted	$3,665,506.00	$5,691,852.00	$1,956,732.00	$0.00	$1,956,732.00		$95.06
restricted	$10,075.00	$10,075.00	$0.00	$0.00	$0.00		$0.00
total	$3,675,581.00	$5,701,927.00	$1,956,732.00	$0.00	$1,956,732.00	34%	$95.06
Miami University							
Unrestricted	$913,508.00	$5,018,507.00	$4,086,745.00	$18,254.00	$4,104,999.00		$243.29
restricted	$393,089.00	$420,074.00	$0.00	$0.00	$0.00		$0.00
total	$1,306,597.00	$5,438,581.00	$4,086,745.00	$18,254.00	$4,104,999.00	75%	$243.29

*OTHER includes transfers from designated funds, endowments, etc.

SOURCES: [illegible]ancial Reports, for the Fiscal Year ended Jun 30, 1990; Ohio Board of Regents
[illegible]E student count from Subsidy Eligible FTE Calcuations, FY90; Ohi[illegible]ard of Regents

TABLE 19 (Cont'd)

Intercollegiate Athletics
Revenues, Expenditures, and Other Changes
Year Ended June 30, 1990
Page 2

INSTITUTIONS:	TOTAL REVENUES	TOTAL EXPENDITURES & TRANSFERS OUT	TRANSFER FROM GENERAL FEES	TRANSFER FROM OTHER*	TOTAL TRANSFER	TOTAL TRANSFER/ TOTAL EXPENDITURES	TRANSFER PE FTE STUDENT
The Ohio State University							
Unrestricted	$19,582,414.00	$19,007,985.00	$0.00	$214,452.00	$214,452.00		$4.30
restricted	$3,807,724.00	$5,557,134.00	$0.00	$1,069,145.00	$1,069,145.00		$21.43
total	$23,390,138.00	$24,565,119.00	$0.00	$1,283,597.00	$1,283,597.00	5%	$25.73
Ohio University							
Unrestricted	$861,215.00	$5,086,392.00	$4,225,177.00	$0.00	$4,225,177.00		$225.02
restricted	$133,830.00	$133,830.00	$0.00	$0.00	$0.00		$0.00
total	$995,045.00	$5,220,222.00	$4,225,177.00	$0.00	$4,225,177.00	81%	$225.02
Shawnee State University							
Unrestricted	$9,323.00	$312,342.00	$254,723.00	$54,268.00	$308,991.00		$142.20
restricted	$0.00	$0.00	$0.00	$0.00	$0.00		$0.00
total	$9,323.00	$312,342.00	$254,723.00	$54,268.00	$308,991.00	99%	$142.20
University of Toledo							
Unrestricted	$2,682,026.00	$5,940,379.00	$3,253,975.00	$0.00	$3,253,975.00		$167.05
restricted	$519,720.00	$519,812.00	$0.00	$726.00	$726.00		$0.04
total	$3,201,746.00	$6,460,191.00	$3,253,975.00	$726.00	$3,254,701.00	50%	$167.09
Wright State University							
Unrestricted	$704,798.00	$2,663,314.00	$1,934,886.00	$32,207.00	$1,967,093.00		$153.85
restricted	$212,652.00	$212,652.00	$0.00	$0.00	$0.00		$0.00
total	$917,450.00	$2,875,966.00	$1,934,886.00	$32,207.00	$1,967,093.00	68%	$153.85
Youngstown State University							
Unrestricted	$511,215.00	$2,968,383.00	$2,312,355.00	$129,813.00	$2,442,168.00		$212.90
restricted	$3,270.00	$54,951.00	$0.00	$7,634.00	$7,634.00		$0.67
total	$514,485.00	$3,023,334.00	$2,312,355.00	$137,447.00	$2,449,802.00	81%	$213.56
SYSTEMWIDE SUMMARY:							
Totals:	$41,769,691.67	$74,443,305.73	$30,850,130.00	$1,597,909.00	$32,448,039.00		
Averages:						44%	$137.03

*OTHER includes transfers from designated funds, endowments, etc.

SOURCES: Financial Reports, for the Fiscal Year ended Jun 30, 1990; Ohio Board of Regents
FTE student count from Subsidy Eligible FTE Calcuations, FY90; Ohio Board of Regents

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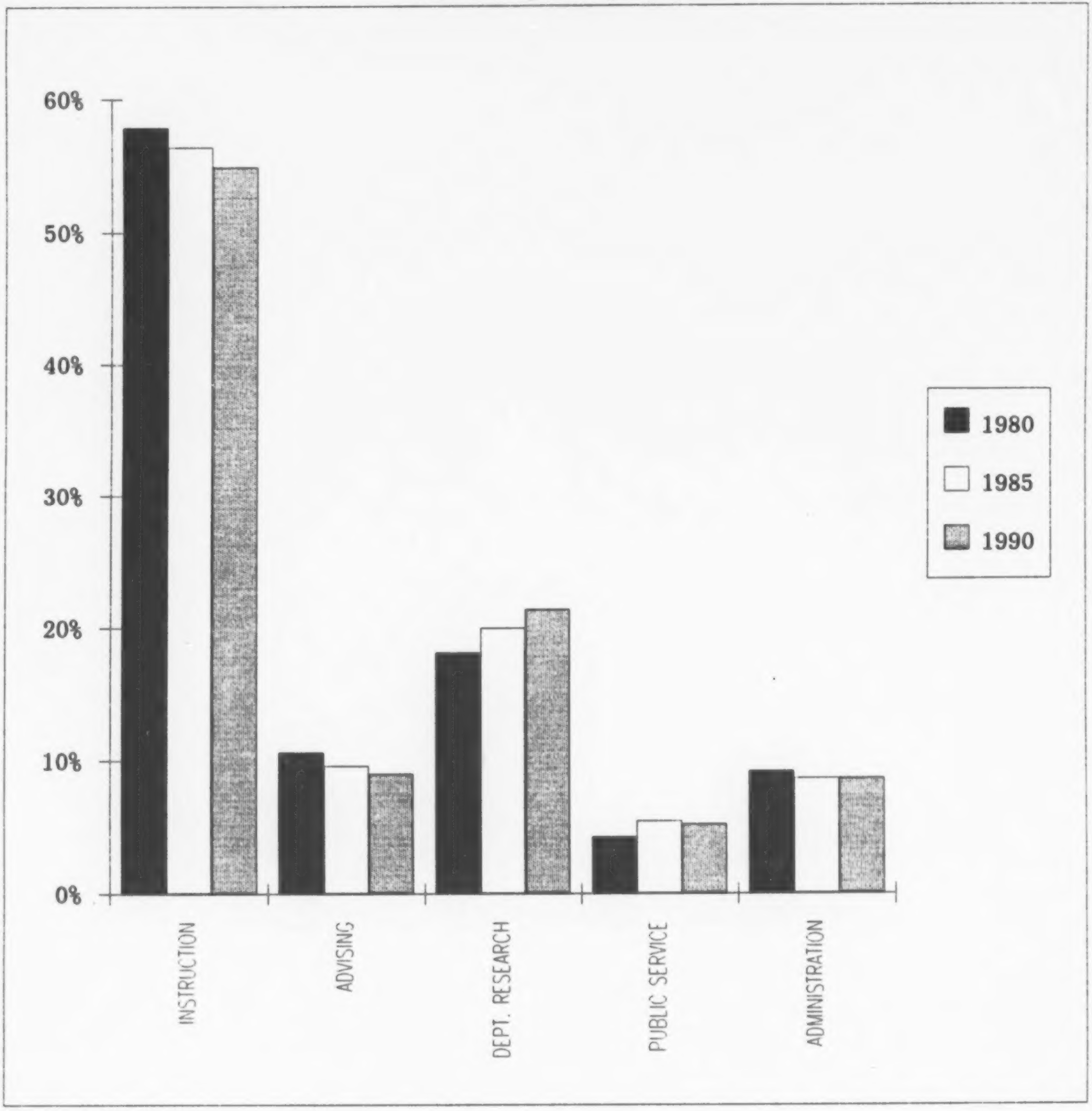
TABLE 20

Ohio Public University Faculty Weekly Workload
Percentage of Time Spent by Activity Type
Fall 1980, 1985, 1990



* Figures represent average of all faculty at the professor, assistant professor and associate professor rank.

SOURCE: U.I.S. Faculty Service, Fall 1980, 1985, 1990, Ohio Board of Regents

TABLE 21

FACULTY LOAD ANALYSIS
OHIO COLLEGES AND UNIVERISITIES

	Fall 1980	Fall 1990	% Change
UNIVERSITIES TOTAL			
Credit Hours Assigned	8.4	8.4	0.0%
Weekly Contact Weekly contact Hours	10.3	9.4	11.3%
Student Credit Hours Taught	241.0	217.0	10.0%
Estimated Class Size	28.7	25.8	10.1%
TWO YEAR CAMPUSES TOTAL			
Credit Hours Assigned	12.3	12.7	2.8%
Weekly Contact Weekly contact Hours	15.6	15.4	−1.2%
Student Credit Hours Taught	282.7	252.5	−10.7%
Estimated Class Size	22.7	19.8	−12.7%
BRANCH CAMPUSES TOTAL			
Credit Hours Assigned	11.3	11.5	1.8%
Weekly Contact Weekly contact Hours	13.1	13.3	1.2%
Student Credit Hours Taught	240.7	241.7	0.4%
Estimated Class Size	22.0	22.1	0.3%
COMMUNITY AND TECHNICAL COLLEGE TOTAL			
Credit Hours Assigned	13.3	13.8	3.6%
Weekly Contact Weekly contact Hours	18.1	17.5	−2.9%
Student Credit Hours Taught	298.6	262.8	−12.0%
Estimated Class Size	21.2	17.9	−15.9%

NOTE: All two year campus averages are unweighted.

SOURCE: Basic Data Series, 1981 and 1991, Ohio Board of Regents

TABLE 22

OHIO HIGHER EDUCATION DEBT SERVICE AND GENERAL OPERATING DISBURSEMENTS

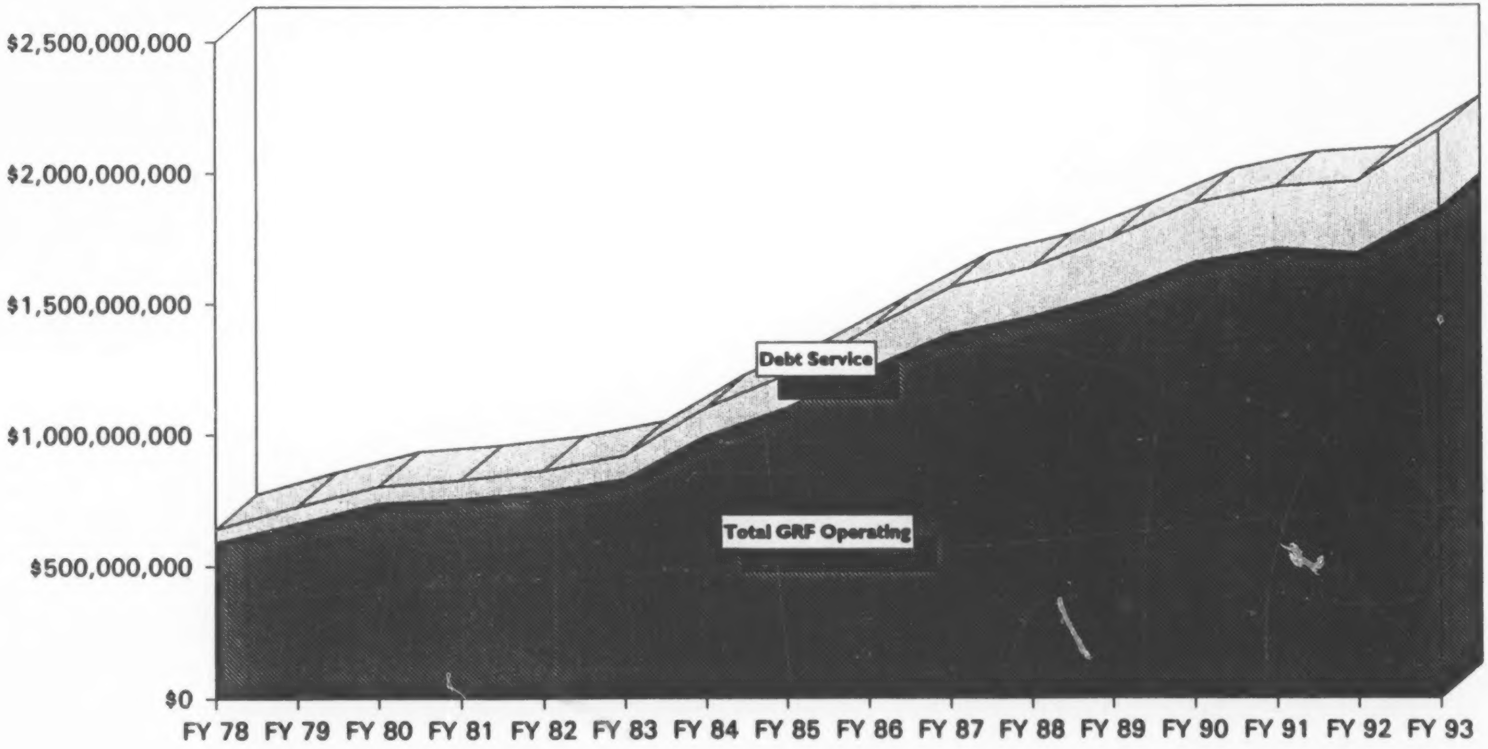
	Debt Service	Total GRF Operating	Debt Service %
FY 78	$49,786,904	$592,535,091	8.4%
FY 79	$62,529,601	$664,239,987	9.4%
FY 80	$62,935,554	$740,780,265	8.5%
FY 81	$71,996,330	$755,088,685	9.5%
FY 82	$79,321,912	$783,225,929	10.1%
FY 83	$89,004,552	$830,839,051	10.7%
FY 84	$105,361,366	$995,081,248	10.6%
FY 85	$126,848,077	$1,100,890,211	11.5%
FY 86	$146,320,676	$1,252,001,977	11.7%
FY 87	$175,316,577	$1,384,446,275	12.7%
FY 88	$185,619,599	$1,449,234,007	12.8%
FY 89	$217,839,723	$1,532,811,188	14.2%
FY 90	$225,193,982	$1,655,197,307	13.6%
FY 91*	$235,865,859	$1,708,785,562	13.8%
FY 92**	$274,947,000	$1,689,643,827	16.3%
FY 93**	$298,991,382	$1,857,289,692	16.1%

* estimate
** appropriation

Source: Executive Blue Books.

Table 22 - Illustration

Ohio Higher Education Debt Service and General Operating Disbursements



FY 91 is estimated. FY 92 and 93 are appropriations (Source: Executive Blue Books)

TABLE 23

PHYSICAL PLANT ALLOWANCES VIA HIGHER EDUCATION FORMULA

($ in thousands)

	Total Allowances*	**Physical Plant Allowances**	**Percent**
FY 1984	$1,285,431	$174,773	13.6%
FY 1985	$1,352,224	$185,051	13.7%
FY 1986	$1,501,563	$201,404	13.4%
FY 1987	$1,572,709	$216,520	13.8%
FY 1988	$1,760,282	$234,327	13.3%
FY 1989	$1,881,146	$247,950	13.2%
FY 1990	$1,984,587	$244,029	12.3%
FY 1991	$2,182,059	$260,421	11.9%
FY 1992	$2,262,186	$271,415	12.0%
FY 1993	$2,388,597	$292,755	12.3%

*Determination of allowances is based on five cost categories: instructional allowance, library acquisitions, support services, selected student services, and physical plant.

SOURCE: Basic Data Series, Ohio Board of Regents

TABLE 24

Space Analysis, 1980 to 1990

	Adjusted* Fall 1980 NASF	Fall 1990 NASF	Percent Change	NASF/FTE 1980	NASF/FTE 1990	NASF/FTE Percent Change
Statewide Totals	44,866,174	52,748,923	17.6%	148.9	154.6	3.8%
FTEs	301,343	341,187	13.2%			
Universities	39,010,626	45,052,802	15.5%	174.4	186.4	6.9%
FTEs	223,654	241,708	8.1%			
Community Colleges	2,515,022	2,900,093	15.3%	63.5	63.6	0.2%
FTEs	39,603	45,566	15.1%			
Branches & Technical	3,340,526	4,796,028	43.6%	87.7	89.0	1.4%
FTEs	38,086	53,913	41.6%			

*Adjusted to reflect change in status of Shawnee, Clark State and Columbus State.

**NASF = Net Assignable Square Feet, or sum of all areas in all buildings assigned to, or available for assignment to, an occupant. Includes space used for all purposes, including teaching, research, administration, residential, and medical.

Appendix H

1. Executive Summary of the Faculty Workload Report, 1992

2. An Example of Best Practice: Faculty Productivity at Kent State University - Preliminary Report

REPORT OF THE STUDY COMMITTEE ON FACULTY WORKLOAD

Prepared for the Managing for the Future Task Force

April 1992

Study Committee on Faculty Workload

Dr. Mark S. Auburn
Senior VP & Provost for Academic Affairs
University of Akron
Akron, Ohio

Dr. Norman R. Baker
Senior VP & Provost
Baccalaureate & Graduate Education
University of Cincinnati
Cincinnati, Ohio

Professor Julian Davies
University of Toledo
Toledo, Ohio

Dr. Donald Eckelman
Dean, Arts & Sciences
Ohio University
Athens, Ohio

Dr. Janell Lang
Dean, Health Technologies
Owens Technical College
Toledo, Ohio

Professor Linda Lillie
Muskingum Area Technical College
Zanesville, Ohio

Professor Gwendolyn Minter
Cuyahoga Community College
Cleveland, Ohio

Professor Craig O'Brien
Hocking Technical College
Nelsonville, Ohio

Dr. Patricia Skinner
VP & Dean, Academic & Students Affairs
Clark State Community College
Springfield, Ohio

Professor Randy Smith
The Ohio State University
Columbus, Ohio

Dr. Clarence Walls
Dean, Fine & Performing Arts
Sinclair Community College
Dayton, Ohio

Dr. Joanne Whitmore
Dean, College & Graduate School of Education
Kent State University
Kent, Ohio

Dr. Allan Winkler
University of Cincinnati
Cincinnati, Ohio

Board of Regents Staff

Ann Moore
Jonathan Tafel
Garry Walters

EXECUTIVE SUMMARY

REPORT OF THE
STUDY COMMITTEE ON FACULTY WORKLOAD

Background

The statewide Managing for the Future Task Force has been charged with examining all of the factors that affect the quality and productivity of Ohio's system of higher education. It is natural, therefore, that particular attention would be paid to the role and responsibilities of faculty: faculty are the core of higher education, and instructional personnel costs comprise more than three-quarters of all higher education expenditures.

The Study Committee on Faculty Workload, which was composed of faculty and administrators, equally representing two-year and four-year campuses, approached its task of examining all of the aspects of faculty workload with energy and determination. The Committee met 6 times between December 1991 and April 1992, and developed its recommendations after extensive consultation with campus groups.

The Committee's findings make clear that Ohio faculty are effectively and productively engaged, both with regard to the expectations of the State and in comparison with faculty elsewhere in the nation. Nevertheless, the Committee recommends changes that it believes will enhance the quality of teaching in colleges and universities. In addition, the Committee proposes a mechanism for reviewing faculty workload that will likely increase the overall amount of instruction provided by university faculty. In order to understand these recommendations, it is necessary to have a clear sense of the overall nature of faculty responsibilities and of the organization of higher education in Ohio.

Faculty Responsibilities

Teaching

There is widespread agreement that the principal responsibility of faculty is teaching. Unfortunately, we have not conveyed to the general public the complex and demanding series of activities that are essential to effective teaching. To employ an example that is better understood, the activities of teachers are analogous to those of surgeons. Surgeons spend a relatively small amount of their time in actual surgery; the bulk of their duties includes keeping current with the latest techniques and technology, organizing and preparing the surgical team before entering the operating room and following up with patients. Faculty also must prepare and follow-up:

Before entering a class a faculty member must do the following:

- Read and experiment to be sure that his or her knowledge of the subject matter to be taught is current and valid;
- Master the most recent technologies, such as computer hardware/ software or laboratory equipment;
- Prepare or revise lectures, laboratory materials and assessment procedures to be certain that they contain appropriate content and employ effective methodology;
- Work with others (for example, laboratory staff and media support personnel) to ensure that the necessary assistance will be available.

Japan, which has one of the world's best systems of primary and secondary education, has a national law forbidding teachers from spending more than four hours a day in the classroom. The purpose is to make sure that teachers spend adequate time preparing for teaching and in assessing and improving the effectiveness of classroom time.

After teaching a class a faculty member must do the following:

- Meet with students to follow up on questions and problems;
- Grade examinations, laboratory reports or the results of other required activities;

In addition to teaching a class, faculty must engage in the following activities that are directly related to instruction:

- Advise students on general academic issues including, for example, completing an academic major or minor;
- Work with other faculty on matters related to curriculum and student affairs.

There is a strong consensus in the Committee, one that is widely reflected in the national literature, that faculty must spend at least two hours preparing for class or following up with students for every hour they spend working directly in a classroom. The Committee also stresses the likelihood that this ratio will, over time, increase rather than diminish:

- the explosion of knowledge makes it increasingly difficult for faculty to stay abreast of their fields, but the competitiveness of the employment marketplace makes it even more important that instruction be at the cutting edge;
- the renewed emphasis on teaching critical thinking skills as a way to prepare students for a rapidly changing society requires extensive out-of-class instructional time for the development and grading of examinations, papers, and projects;
- the advent of new technologies -- particularly inexpensive multi-media computing and high bandwidth communications -- offers the prospect of more productive instruction of high quality in the near future. But preparing for these technologies in the short-term will be very labor-intensive.

"Half of all astronomical research has been done since I received my Ph.D. in the '70's. ... An introductory level textbook published this year will be out of date within three years. So reading current literature and doing research is mandatory, because this field is constantly renewing itself." [Dr. Bernard W. Bopp, Distinguished University Professor of Astronomy and Director of the Ritter Observatory - University of Toledo]

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Research

Faculty also do research. Teaching is the communication of knowledge while research is the advancement of knowledge. It is clear that these two are interrelated to the point of being inextricable. For example, a principal objective of teaching is to instill in students a spirit of inquiry, a curiosity about knowledge. These terms define research. Research has, therefore, many dimensions:

- Research is essential to the economic advancement of our society -- about 60 percent of basic research comes from higher education; proximity to research programs is a major factor in corporate location decisions.
- Research is integral to teaching.
- Research inspires the whole enterprise-- a teaching institution must be a learning institution.

Research has many forms. It can include basic research, fundamental inquiry that has no applied objective but often produces one. For example, the laser was a side benefit of scientific investigation of the microwave spectrum of ammonia. Or research can be very applied, as in the focused study of student early reading problems that produced the extraordinarily successful Reading Recovery Program.

The University of North Carolina, in its Long Range Plan (1976), notes: "Instruction characterizes the responsibilities of the University to communicate existing knowledge to successive generations of students. Research characterizes the responsibilities of the University for the advancement of knowledge. Teaching and research are thus complementary, not competitive. Each is stimulated and strengthened by the other."

Service

Faculty service includes assistance to the profession, to the institution, and to the community. All faculty perform service to the institution, while participation in professional and community service varies according to an individual's academic discipline and the type of program. It is important to note that public demand for faculty service is increasing in many disciplines.

A chemistry professor at a technical college performs about 20 hours a month in service activities as the safety inspector for her campus. One of her roles in this activity is overseeing the removal of hazardous waste. She also advises local industry on these topics.

Higher Education in Ohio

Ohio's large and diverse system of higher education represents a range of missions in instruction, research, and service. In the two-year sector, technical and community colleges offer degree programs designed to prepare students for work in such fields as engineering and medical technology; these colleges also provide service, for example in job training, to their local communities. Also in the two-year sector, community colleges and branch campuses provide degree programs and course work that prepare students for transfer to baccalaureate programs.

Ohio's universities have a variety of instructional missions: some, like Central State and Shawnee State, are principally undergraduate institutions. Others, listed on the right, have programs that range from undergraduate instruction through a number of master's and professional programs, to doctoral work. Two, the Ohio State University and the University of Cincinnati, include extensive doctoral offerings.

Two-Year College Sector
- 10 Community Colleges
- 13 Technical Colleges
- 24 Branch Campuses

University Sector

Universities with undergraduate programs only
- Central State University
- Shawnee State University

Universities with some graduate programs
- University of Akron
- Bowling Green State University
- Cleveland State University
- Kent State University
- Miami University
- Medical College of Ohio
- Ohio University
- University of Toledo
- Wright State University
- Youngstown State University

Universities with extensive doctoral programs
- The Ohio State University
- University of Cincinnati

All of the universities support some level of research. Since much of graduate study is training for research, the bulk of research activity is connected with graduate programs. And, because much of research is multi-disciplinary and because the resources for graduate instruction and research (for example, libraries) can often be shared, it makes sense for some universities to have large clusters of graduate-research activity.

There can be significant variations of programmatic mission within a university, however. Compare The Ohio State University and the University of Akron. At Ohio State, nearly every academic department offers the highest degree in the discipline, usually the Ph.D. At the University of Akron it is the other way around-- only a few programs offer doctorates. But the University of Akron has a doctoral program in polymer science that is, by any measure, one of the best in the world. It is no accident that the University of Akron, which is in a region with many industries that are dependent on polymers, has focused its resources in this area. Another example of an institution with a comprehensive and wide-ranging mission is the University of Cincinnati, which includes not only many doctoral programs but also two-year colleges.

Faculty responsibilities and Institutional/ Programmatic Mission

The responsibilities of faculty vary, then, according to the mission of the institution and the department in which they work. This is especially true in universities, which have more variation in types of responsibilities than do two-year colleges. Faculty workload in the university setting is, in consequence, especially complex. As Figure 1 indicates, however, the primary faculty activity within Ohio's universities is teaching. This is also true for Ohio's two-year campuses with nearly three-fourths of faculty time being devoted to instructional activities (Figure 2).

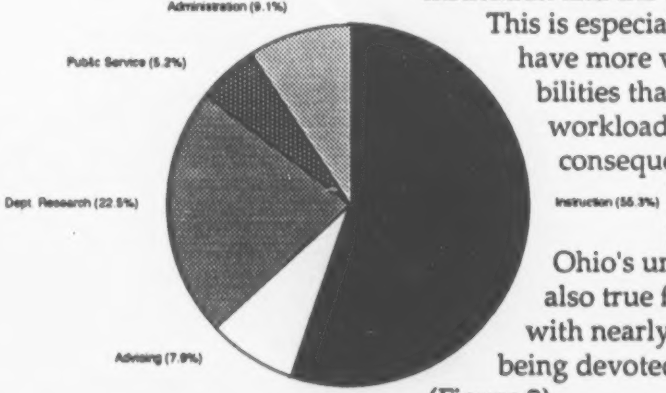
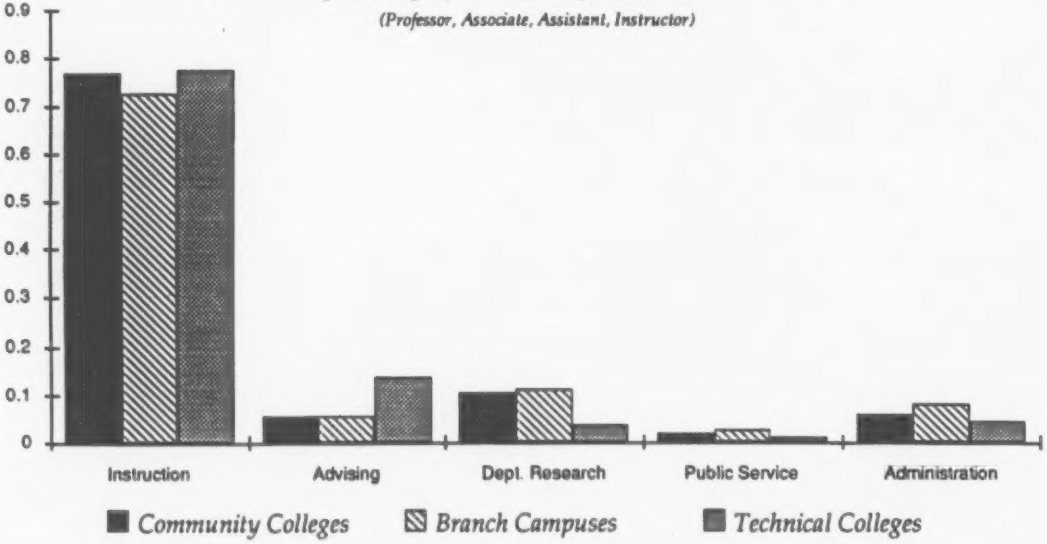


Figure 1: Distribution of Faculty Time – Ohio Universities.
Weighted Average of Full-Time Faculty - Professor, Associate, Assistant

Figure 2

Average Percent of Time Devoted to Selected Activities in Two-Year Colleges

Weighted Averages of Full-Time Faculty - Selected Ranks
(Professor, Associate, Assistant, Instructor)



Faculty with a principal responsibility for graduate programs usually teach fewer courses and carry out more research than do their colleagues in undergraduate programs. The reasons for this are clear: the nature of graduate teaching requires a substantial amount of work that is not a part of a class assignment (for example, directing theses and dissertations); and a significant level of research is integral to graduate instruction. Despite the considerable costs, the Committee strongly endorses the fundamental importance of Ohio's investment in graduate study and research.

The Committee also found, however, that there are situations in which faculty who do not have graduate/research work as a central part of their responsibility nevertheless have an assigned class load that is less than is appropriate for undergraduate programs. Not all such cases are wrong. The Committee opposes taking a cookie-cutter approach to faculty workload – there are many reasons why an individual in an undergraduate program could have a significant research assignment and there are equally valid reasons why a faculty member in a graduate program could direct nearly all of his or her work to undergraduate instruction. Department chairs, in consultation with deans and senior academic officers, should have considerable flexibility in individual assignments. In the aggregate, however, a department's average teaching responsibility should be consistent with its mission. The report provides a mechanism for evaluating and maintaining these relationships, and urges its adoption by all universities.

> ***"Teaching, as presently viewed, is like a currency that has value in its own country but can't be converted into other currencies... For teaching to be considered equal to research, it must be vigorously assessed, using criteria that we recognize within the academy, not just in a single institution." From The Carnegie Foundation (Ernest Boyer, Scholarship Reconsidered).***

The Committee also believes that the manner in which teaching is evaluated must be fair, equitable, and comprehensive. Inconsistent or inaccurate evaluation is detrimental to the quality of instruction, especially at the undergraduate level. The Committee understands that it is difficult to evaluate teaching, but the problems are too serious to be ignored simply because they are challenging. Administrators often seem to base judgements of the quality of teaching primarily on student perceptions of performance, which are easily secured but limited in value, rather than on information about the effectiveness of an instructor's ability to present content in a way that promotes student learning. Similarly, especially in universities, research (which is more easily quantified and judged) appears often to be valued over teaching. The Committee recommends that Ohio's colleges and universities follow those in other states by adopting a comprehensive approach to evaluating instruction that will ensure that faculty are rewarded fully for the quality and effectiveness of their teaching.

Conclusions

Workload Should be Derived From Program Mission

While teaching, research, and service are activities common to all Ohio colleges and universities, the emphasis given to them varies significantly according to the mission of the program and the institution.

National & State Studies Suggest Workload *Is* Derived From Mission

Numerous national studies confirm that the amount of time spent on various activities currently does vary according to the mission of the program or institution involved. Such patterns are consistent throughout the country. State studies corroborate this finding; in every state where a full-fledged study had been conducted, the patterns are almost precisely those found at the national level.

Ohio's Norms Are Consistent With National Patterns

Our own examination of data for Ohio reveals that the practices in this state are virtually identical to national ones. Faculty service reports that are filled out every year support this consistency. In community college programs in Ohio, where teaching undergraduates in their first two years is the prime component of institutional mission, workload expectations emphasize teaching and service, as national norms would predict. Similarly, in programs that involve graduate teaching and related research activity, the patterns in Ohio resemble those observed everywhere and show an increased emphasis on research and scholarship.

Workload Includes All Professional Faculty Activities

Workload includes far more than the hours spent in the classroom alone. Workload expectations must take into account class preparation, grading, and other forms of student evaluation, as well as the full range of service, advising, mentoring, and research activities that are interconnected parts of the educational and instruction process.

Periodic Assessment Is Important in Monitoring Programs

If there is significant deviation from workload expectations, that variation can create difficulties for an institution. Problems do occasionally occur and need to be corrected. Periodic review of faculty activity is the responsibility of the college or university, and is an essential part of institutional accountability. If there are inconsistencies in some faculty members workload patterns, institutions must have programs in place to detect such inconsistencies and correct them. Most campuses in the state regularly conduct such reviews.

Recommendations

Identify and Eliminate Current Inconsistencies

The vast majority of faculty members in Ohio spend as much time teaching, engaging in campus and community service, and furthering research and scholarship as would constitute a full workload in any field of endeavor. Yet, as with any large system with scores of institutions and thousands of employees, some inconsistencies are bound to occur. While Ohio's public colleges and universities may include an occasional faculty member who performs little productive research or service, and teaches a relatively light load in terms of contact hours in the classroom, our investigation demonstrates that such people are a very small exception rather than the rule, and that this charge made by Charles J. Sykes in *Prof Scam: Professors and the Demise of Higher Education* is exaggerated and inflated, at least within the state of Ohio. To ensure that Ohio's system of higher education remains vigilant in this regard, we suggest that each institution in the state system examine its own policies and eliminate inequities by following the suggestions outlined below.

Preserve Institutional Decision-Making on Workload

We recommend that each institution be responsible for ensuring that faculty activity continues to correspond as closely as possible to reasonable standards. All community and technical colleges already adhere to systematic college-wide workload standards. All other colleges and universities have workload policies in place and are currently engaged in monitoring local norms to determine how well, in fact, programs do meet expectations. The University of Cincinnati, for example, has an internal workload committee actively engaged in the process of establishing thresholds or base workloads for all faculty members that will be broad enough to address the idiosyncratic natures of the different academic units and their missions. Similar groups are at work on almost all other campuses in Ohio. Such local governance has long been the hallmark of the entire system, and is the most useful means to guarantee that the needs of the state and the interests of the taxpayers are met.

Maintain Existing Institutional Patterns in Two-Year Colleges

Ohio's two-year community and technical colleges, which are dedicated primarily to teaching, have functioned successfully by adhering to systematic college-wide workload standards. Programs vary, to be sure, both within institutions and from school to school. Still, all faculty members share a common mission that revolves around classroom instruction. Each institution generally sets its own workload expectations, which are written, understood, and followed by all faculty members and administrators throughout the institution. We recommend that this approach be continued.

Set Departmental Expectations in All Other Institutions

All other institutions, including branch campuses, along the higher education continuum that has been described throughout this report seek to fulfill a more complex set of mission requirements. As we move along the continuum, the kind of teaching done varies dramatically. It may include the special demands of graduate education, mentoring and research expectations that are closely tied to upper-division undergraduate and graduate teaching, and one-to-one instruction in the arts and professional schools. Within this framework of four-year, baccalaureate, comprehensive, and research institutions, we strongly recommend that departmental flexibility be preserved in making workload assignments. We wish to underscore the appropriateness of the department or degree program as the unit to oversee workload assignments according to the systematic pattern described earlier, subject to review for consistency with the mission of the institution and its strategic plan.

Ensure That Incentives and Rewards Follow Mission Expectations

At a time when increased national and state attention is being given to faculty teaching responsibilities, we strongly recommend that each program or institution within the state makes sure that the reward structure reflects such an emphasis. Teaching and research are complementary, not competitive, activities, and excellence in teaching needs to be rewarded as does excellence in research as consistent elements of the overall mission of higher education in the state of Ohio.

The Committee also believes that Ohio's colleges and universities should adopt a rigorous and comprehensive approach to the evaluation of instruction. Developing systematic and rigorous assessment models that engender common acceptance, and from which judgments about teaching quality and effectiveness can consistently be made, will ensure that faculty are routinely evaluated against commonly accepted criteria and rewarded fully for their involvement in this activity.

FACULTY PRODUCTIVITY AT KENT STATE UNIVERSITY
PRELIMINARY REPORT

MAY 1992

FACULTY PRODUCTIVITY AT KENT STATE UNIVERSITY
PRELIMINARY REPORT

Background

The "products" that faculty members at American colleges and universities are hired to create -- educated, intellectually sophisticated citizens and ideas for economic development, improving the quality of life, and enhancing understanding of basis knowledge -- by their very nature resist quantification. The multifaceted acts of "teaching" and "scholarship" are equally, if not more, analytically elusive. It is not surprising, therefore, that the accurate and efficient assessment of faculty productivity remains a challenge, as well as a subject of debate, within the academic community.

Despite the inherent difficulties in documenting the many, varied and changing contributions of faculty members, the availability of details about the "what" and "how much" of faculty life is critical for internal planning. Increasingly, such information has been necessary for responding to taxpayers' questions about the amount of time faculty devote to teaching, as well as time spent pursuing their own scholarship and academic interests.

Understandably, appraisals of faculty contributions have focused on the variable that is most easy to report and collect: time spent in the classroom and performing other broadly defined academic duties. Kent State University has not been an exception. Each semester, in accordance with state requirements, individual faculty members complete an Instructional Service Report, which categorizes activities by credit hour instruction (time spent in the classroom), and by time spent advising students, conducting departmental and personal research, performing public service activities, and serving administrative functions. The data are compiled, summarized, and published annually by the Ohio Board of Regents.

Analyses of these data have proven useful in providing an overview of faculty responsibilities. Further, they offer indisputable evidence that the vast majority of faculty members devotes the largest proportion of their professional time to students.

For example, data collected during Fall Semester 1991 show that:

- Of 1,673 individuals who taught on the Kent Campus, 47 percent were full-time faculty, 32 percent were part-time faculty, and 21 percent were graduate-student assistants (Attachment 1).

- Of all regular course sections taught by full- and part-time faculty in the seven colleges and schools on the Kent Campus, an average of 70 percent were taught by full-time faculty. All colleges and schools had at least 67 percent (and as much as 94 percent) of regular sections taught by full-time faculty, with the exception of the School of Physical Education, Recreation and Dance, which offers a wide range of activity courses requiring part-time specialists (Attachment 2). When graduate assistants were factored in, the average percentage of regular sections taught by full-time faculty was 62 percent, with part-time faculty having taught an average of 25 percent, and GAs having taught an average of 12.5 percent of regular sections (Attachment 3).

- Full-time faculty members taught 71 percent of total student credit hours, or 173,891 hours, versus 29 percent, or 70,760 student credit hours, taught by part-time faculty (Attachment 5). When graduate assistants were factored in, full-time faculty still were found to have taught the majority of student credit hours (61 percent), with part-time faculty having accounted for 25 percent, and GAs having accounted for 15 percent of total student credit hours (Attachment 4).

- Distributed across the seven colleges and schools on the Kent Campus, full-time faculty taught an average of 75 percent of total student credit hours, versus an average of 25 percent of total student credit hours taught by part-time faculty (Attachment 6). When graduate assistants were factored in, full-time faculty still taught the majority of student credit hours across colleges and schools (an average of 66.5 percent), with part-time faculty having taught an average of 21.8 percent, and graduate student assistants having taught an average of 11.5 percent of student credits hours (Attachment 6).

- The percentage of student credit hours taught by faculty according to rank (full, associate, and assistant professor) refutes an all-too-common perception that faculty -- particularly higher-ranking faculty -- are prone to spending the bulk of their time conducting research and pursuing publication in scholarly journals. Full and associate professors taught nearly 40 percent of student credit hours, for a combined total of 93,788 hours (Attachment 8).

- Seven hundred eighty-three full-time faculty members at the Kent Campus taught 173,891 student credit hours. Each full-time faculty member taught an average of 222 student credit hours. To determine direct contact of faculty with students we might, for example, divide the average 222 student credit hours by 3 credit hours per student (the equivalent of one section) to find that each faculty member at the Kent Campus had direct and regular contact with an average of 74 students during the semester (Attachment 9). When this statistical analysis is applied to the 216 full-time, full professors at the Kent Campus, each teaching an average of 213 student credit hours, we find as follows: each full professor had direct and regular contact with an average of 77 students during the semester (Attachment 10).

* When statistics about student credit hours taught by full- and part-time faculty were distributed across five very different departments at the Kent Campus and a representative of the University's seven Regional Campuses, an average of 73.3 percent of all student credit hours were shown to have been taught by full-time faculty (Attachment 12). Even when graduate assistants were factored in, full-time faculty taught an average of two-thirds (66 percent) of all student credit hours, with GAs having accounted for an average of about 10 percent (Attachment 11).

While these conventional methods of assessing faculty contributions show a faculty actively engaged in teaching, they fail to reflect the richness and variety of faculty life, and the dedication with which most faculty tackle their numerous responsibilities.

For this reason, the President commissioned a study to approach questions about faculty contributions from a new perspective. The Managing for the Future Task Force concurred that the proposed approach would serve their purposes. This alternate approach was to be based on the reality that faculty members are not academic "free agents" who place their individual interests above their students' needs. Instead, faculty members are assigned roles that capitalize on their individual talents and that best allow their academic departments to fulfill their missions, in concert with the mission of the University as a whole. The distribution of functions is carried out at the departmental level. Thus, the President was committed to a study that asked, "What is the department expected to contribute to the University's mission?" as opposed to the traditional question, "What does the individual faculty member do?"

Working with the Faculty Senate Steering Committee, it was agreed that Kent's study should incorporate the expanded concept of "scholarship" presented by Dr. Ernest Boyer in "Scholarship Reconsidered: Priorities of the Professoriate."

Boyer's pivotal work urges that scholarly activity be expanded to include: (1) The scholarship of discovery, which "contributes to the stock of human knowledge and to the intellectual climate of a university." (2) The scholarship of integration, which "gives meaning to isolated facts, makes connections across the disciplines, and fits basic research into larger intellectual patterns." (3) The scholarship of application, which asks "'How can knowledge be responsibly applied to consequential problems?'" and (4) The scholarship of teaching, which "begins with what the teacher knows, moves through the transmission of knowledge and leads to the transformation and the extension of knowledge."

Process

A review of faculty productivity studies at other institutions revealed a dearth of techniques for documenting faculty contributions from the departmental level. This finding, coupled with the growing interest in "scholarship reconsidered" that has emerged under the administration of President Carol A. Cartwright, led to the decision that Kent should seize the opportunity to provide leadership in this uncharted area. The pilot study that was proposed was seen as having potential applications not only for Kent but for colleges and universities nationwide.

A new format, using the academic department as the unit of analysis, was designed, and Lynnette Andresen, an American Council on Education fellow who spent the 1991-92 academic year as an assistant to President Cartwright, was assigned as project director.

Five units representing a diversity of academic fields plus one of the University's seven Regional Campuses were selected for the pilot study: The Department of English, notable for its writing-across-the-curriculum service role, a large undergraduate instructional load, and distinguished doctoral programs; the School of Art, whose studio classes require a distinctive type of faculty preparation, and whose students are evaluated largely on the basis of juried shows and other presentations; the Department of Physics, which is characterized by a select number of strong research and graduate programs as well as a comprehensive undergraduate program; the School of Nursing, whose clinical orientation necessitates instruction at a wide range of geographical sites and clinical settings and whose research is on the "applied" end of the scholarly spectrum; the Department of Psychology, a representative of the behavioral/social sciences with a tradition of excellence in blending teaching and research; and the Salem Campus, which, as a Regional Campus, requires faculty to cooperate across disciplines in serving freshman, sophomore, and nontraditional students, many of whom are underprepared for college-level study.

A draft format was developed in February 1992 and submitted to the Executive Committee of the Faculty Senate and the chairs/directors/deans of the selected units for review. In consultation with these groups, a detailed listing of activities was formulated for inclusion in the study. The resulting Faculty Productivity Work Sheet allowed faculty members to itemize their daily and weekly activities under broad headings consistent with Boyer's classification scheme: scholarship, teaching, academic advising, and administrative activities. Particular care was taken to accommodate the myriad of activities that constitute "teaching." Under this broad category alone, faculty could record their activity in forty separate areas. A sample Work Sheet is attached to this report.

Work sheets were distributed to full-time faculty in the participating units in early March 1992. In addition to completing the work sheets, selected faculty were asked to submit diaries of their activities during a week. Data were collected and analyzed from March-May 1992.

The following full-time faculty participated in the study: Art -- 5 assistant professors, 13 associate professors, and 5 full professors; English -- 7 assistant professors, 15 associate professors, and 16 full professors; Nursing -- 12 instructors and assistant professors, 7 associate professors, and 19 full professors; Physics -- 2 assistant professors, 4 associate professors, and 11 full professors; Psychology -- 6 assistant professors, 7 associate professors, and 12 full professors; and Salem Regional Campus -- 10 instructors, 15 assistant professors, and 1 full professor (included in assistant professor data). Data concerning part-time faculty and graduate assistants were provided by the heads of the departments. These data were included only in the classroom instruction, clinical supervision, laboratory instruction, and studio and performance/exhibition supervision sections under the teaching activity category.

Conclusions

Because of the accelerated timeframe under which Kent's pilot productivity study was conducted, the University Administration and Kent's Managing for the Future Task Force consider the project a "work in progress" that warrants continuing review and refinement. Nevertheless, data from this new approach to examining faculty contributions already support the premise that faculty members do not constitute monolithic groups of "teachers" or "researchers," but are actually engaged in a wide and changing variety of scholarly activities. An individual faculty member is one part of the departmental mosaic, with a clearly defined place in the overall mission picture. Where each faculty member fits is very much a function of departmental needs at a given time and the unique talents of the individual faculty member.

Preliminary results of the pilot study indicate that:

- Contrary to popular perceptions that most faculty members' top priority is research, full-time faculty in the six units studied devoted an average of 55 percent of their professional time to activities classified as teaching and advising, and less than one-third (31 percent), on average, to activities classified under scholarship (Attachment 13).

- By enumerating the diverse activities that constitute scholarly activity, it becomes possible to form a more accurate picture of the complexities of faculty life than is achieved with traditional surveys. For example, in addition to the standard category of classroom instruction, participants could report the instructional activities of student evaluation, individualized instruction, classroom preparation, clinical supervision, studio and performance supervision, laboratory instruction, and other student contact. As an indication of how much time and effort precedes each class or studio session, School of Art faculty (across ranks) spent an average of 22.6 percent of their instructional time on classroom preparation alone. Psychology Department faculty (across ranks) devoted an average of one-third (33.6 percent) of their instructional time to classroom preparation (Attachment 14).

- The use of the department as the unit of analysis in assessing faculty contributions is valid as well as practical. The correlation between departmental mission and time devoted to the various categories and subcategories of scholarship was apparent in virtually all units. For example, School of Nursing faculty (across ranks) spent an average of 35.3 percent of their instructional time -- the highest percentage of the units studied -- engaged in clinical supervision. The proportion of faculty time spent monitoring students in hospitals and other clinical settings is clearly consistent with the school's primary mission of providing highly skilled nurses for the region and beyond. But while, for example, nursing faculty devoted a substantial amount of time to clinical supervision, an average (across ranks) of 3.3 percent of their instructional time was spent on individualized instruction. This can be contrasted with the average of 27 percent of instructional time allotted to individualized instruction by faculty (across ranks) at the Salem Regional Campus, whose mission centers on the education of freshman and sophomore students, many of whom arrive underprepared for college work and require a great deal of interaction with faculty (Attachment 15).

- The faculty diaries submitted by several faculty in each of the six units studied were a valuable addition to the data generated by the Faculty Productivity Work Sheets. The diaries not only showed that faculty members' work lives are as distinctive as each individual, but brought to life the fact that scholarly activity is unpredictable -- what is required of any faculty member can change from day to day, week to week, and term to term. The diaries also provided compelling evidence of a faculty who are genuinely interested in and personally committed to their students' success, the enhancement of their disciplines, and service to the University community.

It is the recommendation of the Task Force that the format developed by Lynnette Andresen in cooperation with the Executive Committee of the Faculty Senate be refined through testing with additional departmental units. In order to ensure the validity of the Faculty Productivity Work Sheet as a prototype for use across departments, several categories must first be defined more clearly, or else eliminated entirely. Case in point: The "academic advising" category generated responses so small as to be insignificant -- apparently because advising activities were recorded under the more general "teaching" category.

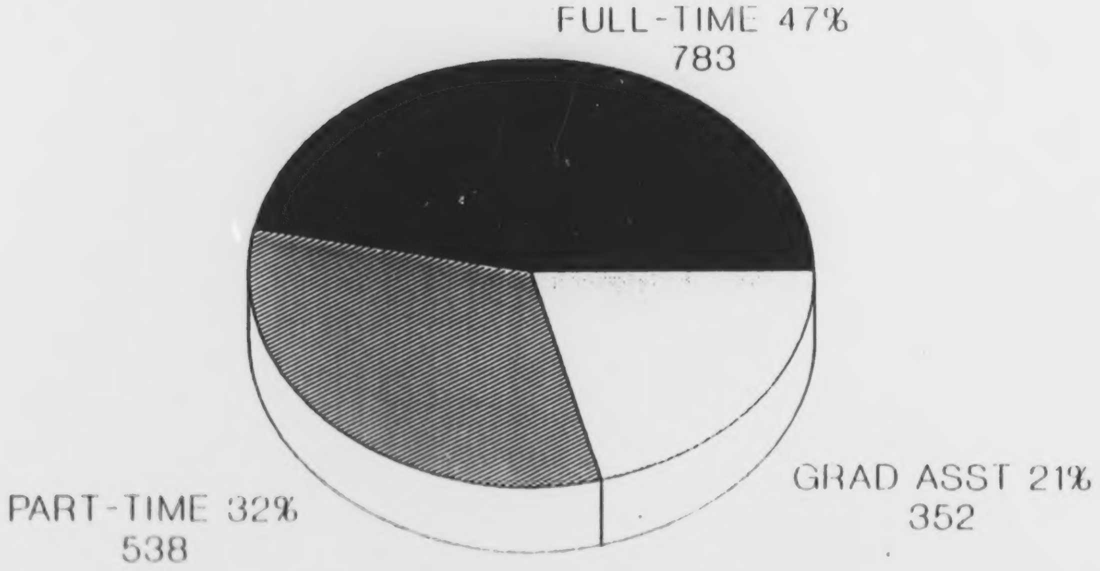
Kent State University is committed to pursuing this promising means of illuminating the many and varied contributions made by college and University faculty members, and to finding the optimum way of communicating such important data.

ATTACHMENTS

FULL-TIME & PART-TIME FACULTY & GA'S

HEADCOUNT FALL 1991

KENT CAMPUS



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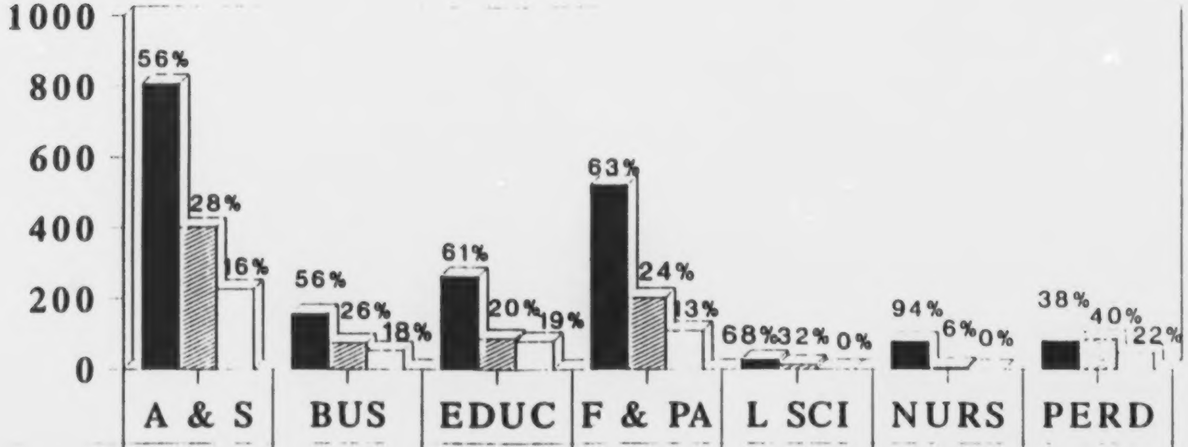
KENT STATE UNIVERSITY
SECTIONS TAUGHT FALL 1991
REGULAR SECTIONS-KENT CAMPUS

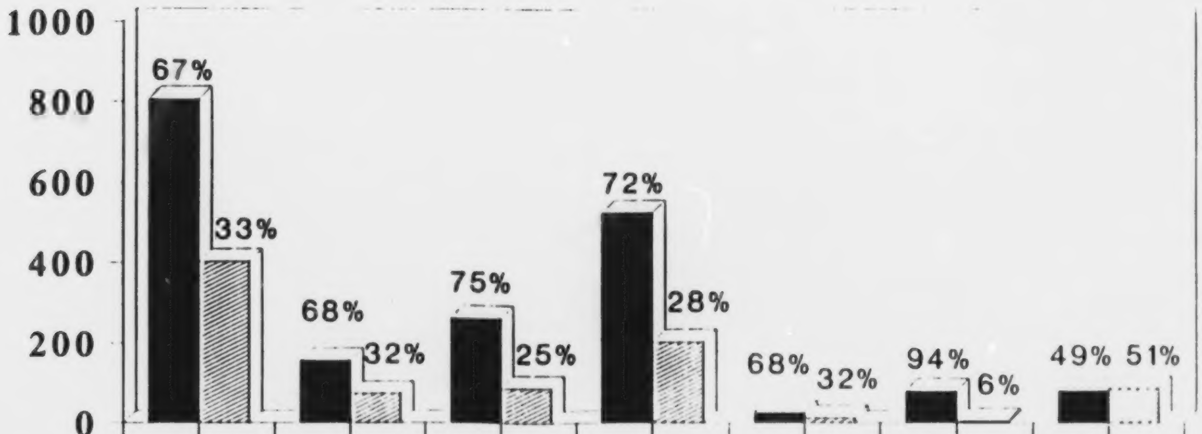


	A & S	BUS	EDUC	F & PA	L SCI	NURS	PERD
FULL-TIME	807	156	262	523	25	79	81
PART-TIME	401	73	87	202	12	5	86
GRAD. ASST.	226	52	79	109	0	0	46

■ FULL-TIME ▨ PART-TIME ☐ GRAD. ASST.

SOURCE: INSTRUCTIONAL SERVICE REPORT

KENT STATE UNIVERSITY
SECTIONS TAUGHT FALL 1991
REGULAR SECTIONS - KENT CAMPUS



	A & S	BUS	EDUC	F & PA	L SCI	NURS	PERD
FULL-TIME	807	156	262	523	25	79	81
PART-TIME	401	73	87	202	12	5	86

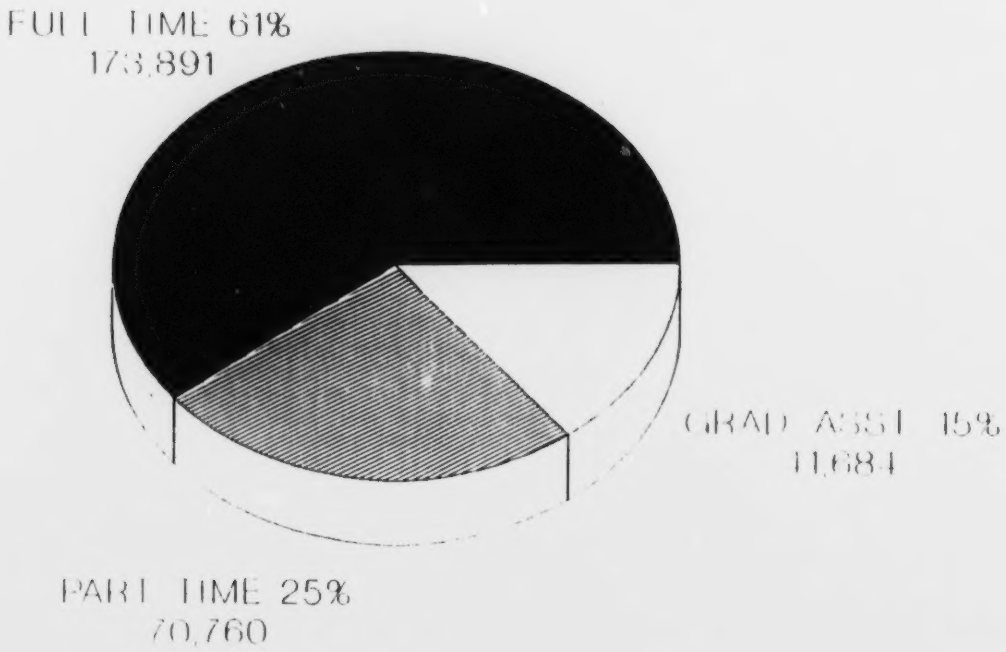
■ FULL-TIME ▨ PART-TIME

SOURCE: INSTRUCTIONAL SERVICE REPORT

KENT STATE UNIVERSITY

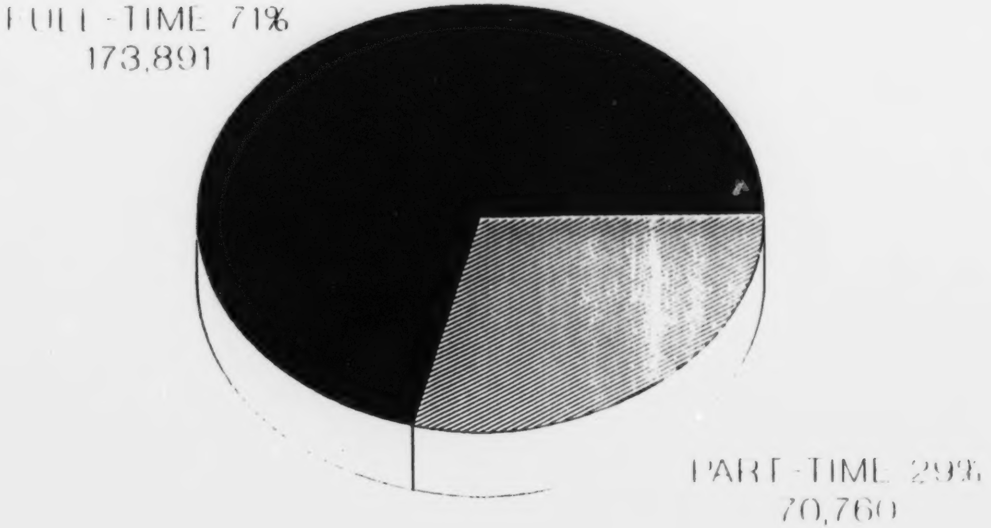
STUDENT CREDIT HRS. TAUGHT BY FACULTY

KENT CAMPUS - FALL 1991



SOURCE: INSTRUCTIONAL SERVICE REPORTS

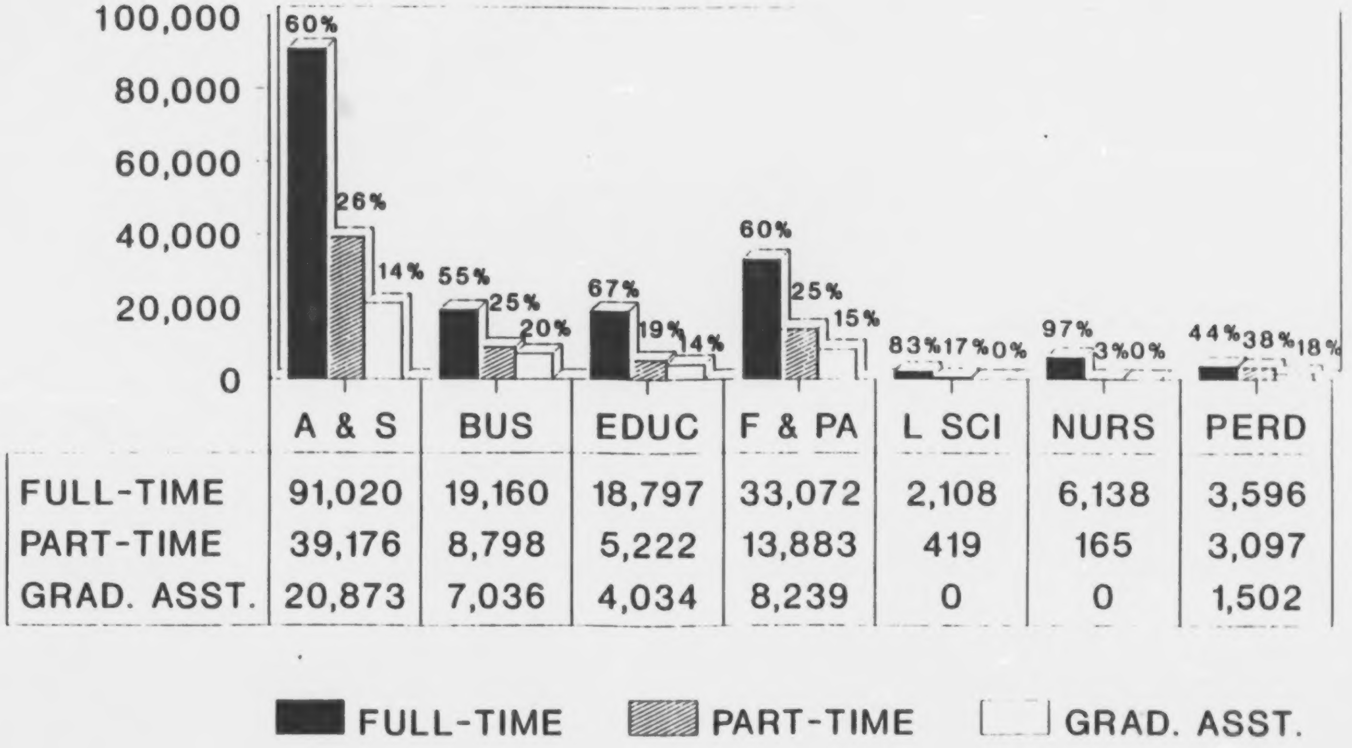
KENT STATE UNIVERSITY
STUDENT CREDIT HRS. TAUGHT BY FACULTY
KENT CAMPUS - FALL 1991



SOURCE: INSTRUCTIONAL SERVICE REPORTS

KENT STATE UNIVERSITY

STUDENT CREDIT HRS. TAUGHT BY FACULTY
KENT CAMPUS - FALL 1991



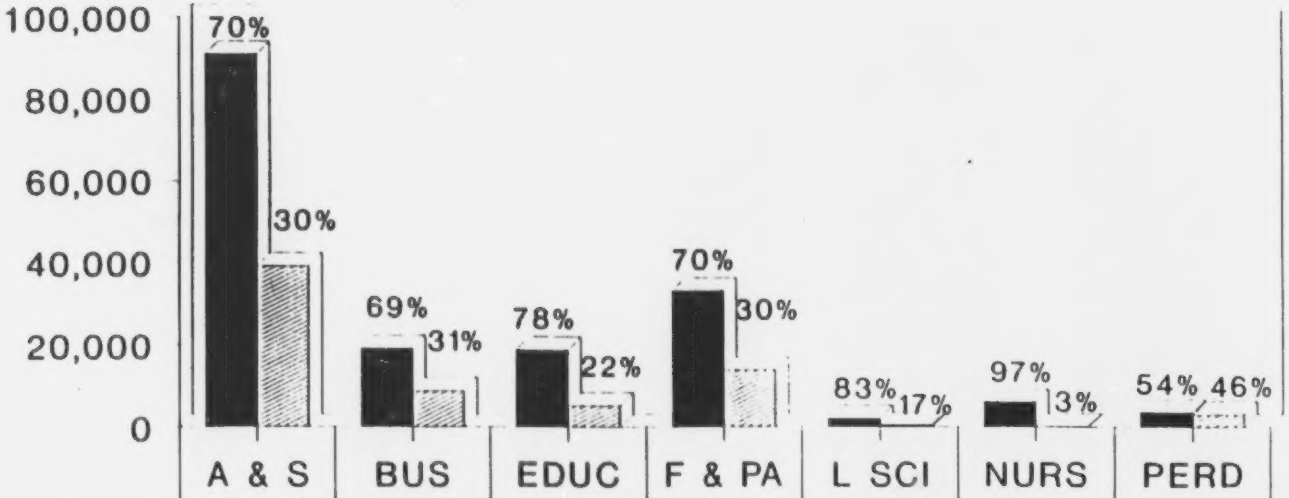
	A & S	BUS	EDUC	F & PA	L SCI	NURS	PERD
FULL-TIME	91,020	19,160	18,797	33,072	2,108	6,138	3,596
PART-TIME	39,176	8,798	5,222	13,883	419	165	3,097
GRAD. ASST.	20,873	7,036	4,034	8,239	0	0	1,502

SOURCE: INSTRUCTIONAL SERVICE REPORT

KENT STATE UNIVERSITY

STUDENT CREDIT HRS. TAUGHT BY FACULTY

KENT CAMPUS - FALL 1991



	A & S	BUS	EDUC	F & PA	L SCI	NURS	PERD
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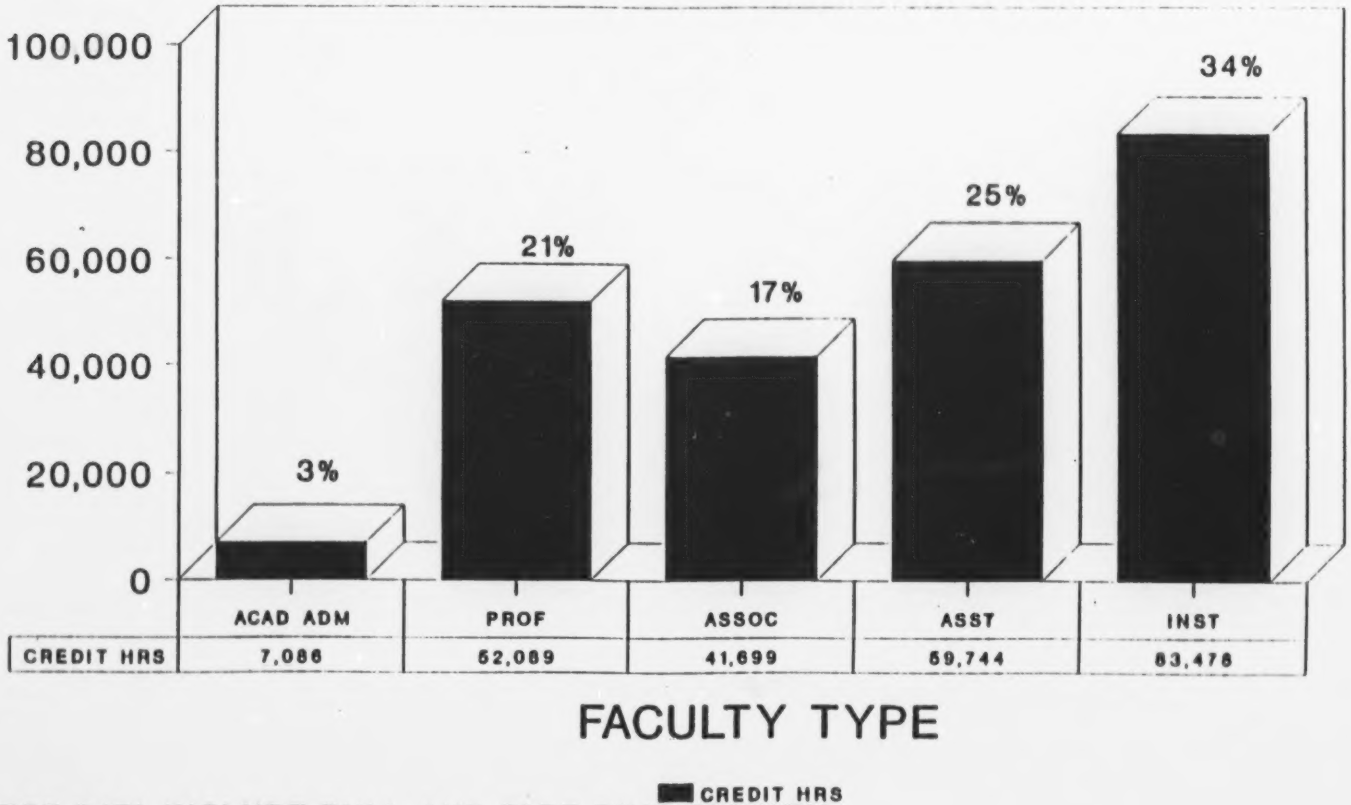
SOURCE: INSTRUCTIONAL SERVICE REPORT

KENT STATE UNIVERSITY

STUDENT CREDIT HRS TAUGHT BY FACULTY
KENT CAMPUS - FALL 1991



	ACAD ADM	PROF	ASSOC	ASST	INST
CREDIT HRS	7,086	52,089	41,699	59,744	83,478

THESE DATA INCLUDE FULL AND PART TIME FACULTY
SOURCE: INSTRUCTIONAL SERVICE REPORTS

173,891 STUDENT CREDIT HOURS WERE TAUGHT BY 783

FULL-TIME FACULTY - KENT CAMPUS - FALL 1991

EACH FULL-TIME FACULTY MEMBER TAUGHT 222 SCHs ON AN AVERAGE
222 DIVIDED BY 3 CREDIT HRS PER STUDENT = 74 STUDENTS

IF THE FACULTY MEMBER TAUGHT:

2 CLASSES (74 DIVIDED BY 2) = 37 STUDENTS PER CLASS
3 CLASSES (74 DIVIDED BY 3) = 24.6 STUDENTS PER CLASS
4 CLASSES (74 DIVIDED BY 4) = 18.5 STUDENTS PER CLASS

IN ADDITION TO TEACHING FACULTY ARE EXPECTED TO DO ADVISING, RESEARCH, AND PUBLIC SERVICE.

49,085 STUDENT CREDIT HOURS WERE TAUGHT BY 216 FULL-TIME FULL PROFESSORS - KENT CAMPUS - FALL 1991

EACH PROFESSOR TAUGHT 231 SCHs ON AN AVERAGE

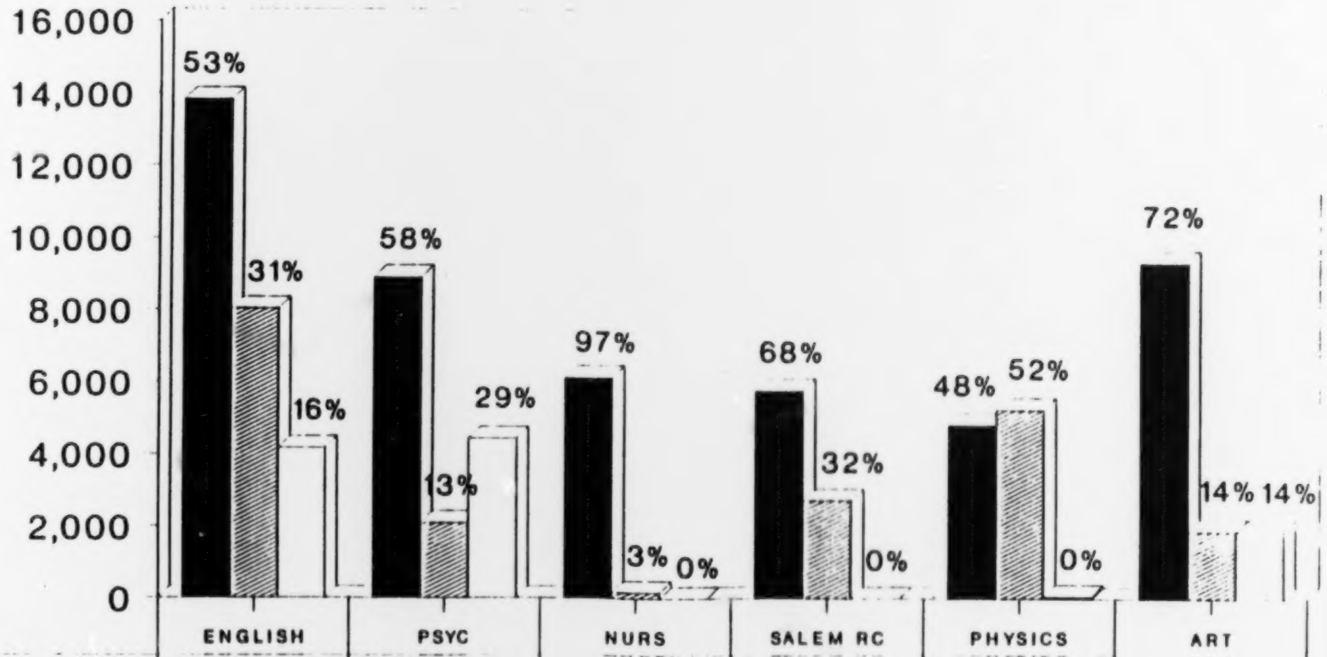
231 DIVIDED BY 3 CREDIT HRS PER STUDENT = 77 STUDENTS

IF THE FACULTY MEMBER TAUGHT:

2 CLASSES (77 DIVIDED BY 2) = 38.5 STUDENTS PER CLASS
3 CLASSES (77 DIVIDED BY 3) = 26.7 STUDENTS PER CLASS
4 CLASSES (77 DIVIDED BY 4) = 19.2 STUDENTS PER CLASS

IN ADDITION TO TEACHING FACULTY ARE EXPECTED TO DO ADVISING, RESEARCH, AND PUBLIC SERVICE.

KENT STATE UNIVERSITY
STUDENT CREDIT HRS. TAUGHT BY FACULTY
FALL 1991

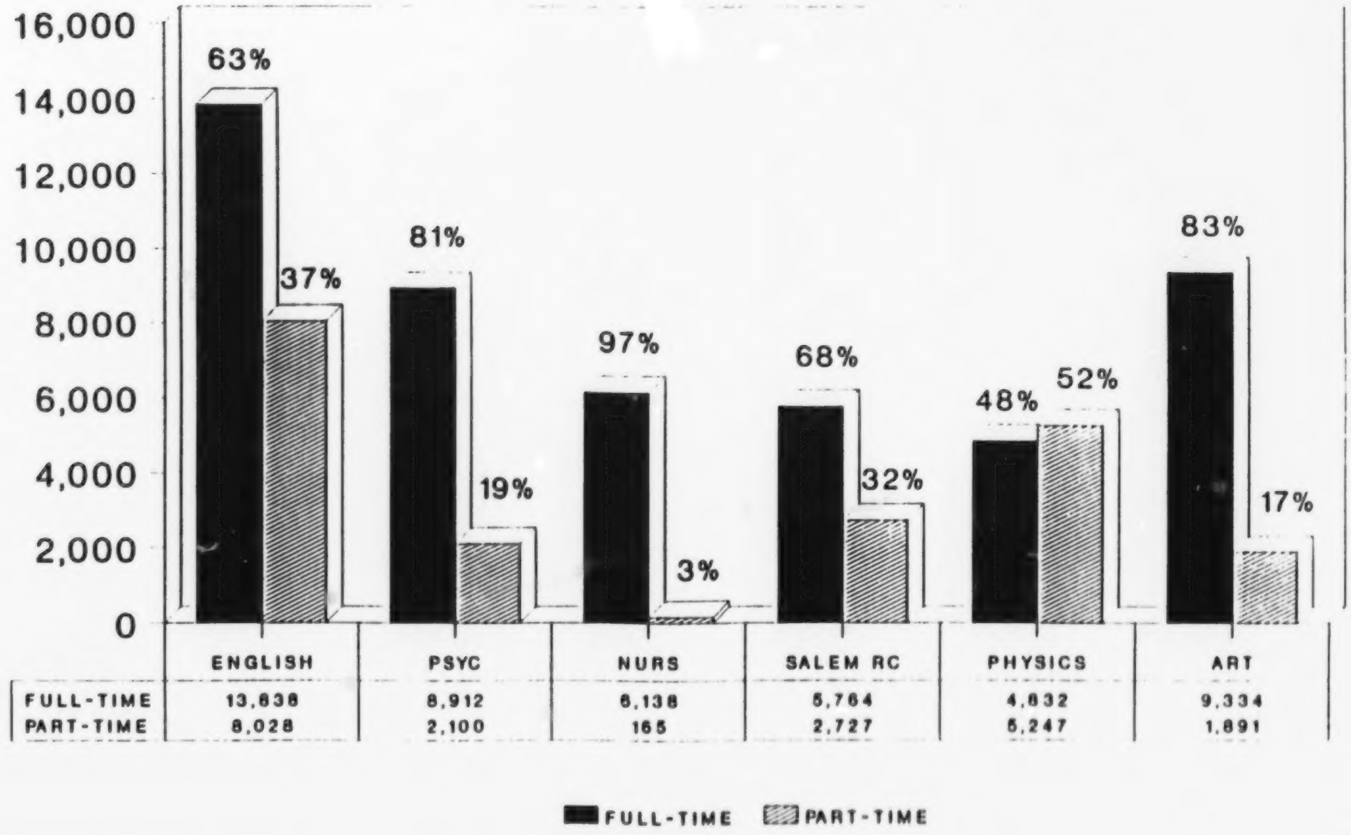


	ENGLISH	PSYC	NURS	SALEM RC	PHYSICS	ART
FULL-TIME	13,838	8,912	6,138	5,764	4,832	9,334
PART-TIME	8,028	2,100	165	2,727	5,247	1,891
GRAD. ASST.	4,167	4,444	0	0	54	1,881

■ FULL-TIME ▨ PART-TIME ☐ GRAD. ASST.

SOURCE: INSTRUCTIONAL SERVICE REPORT

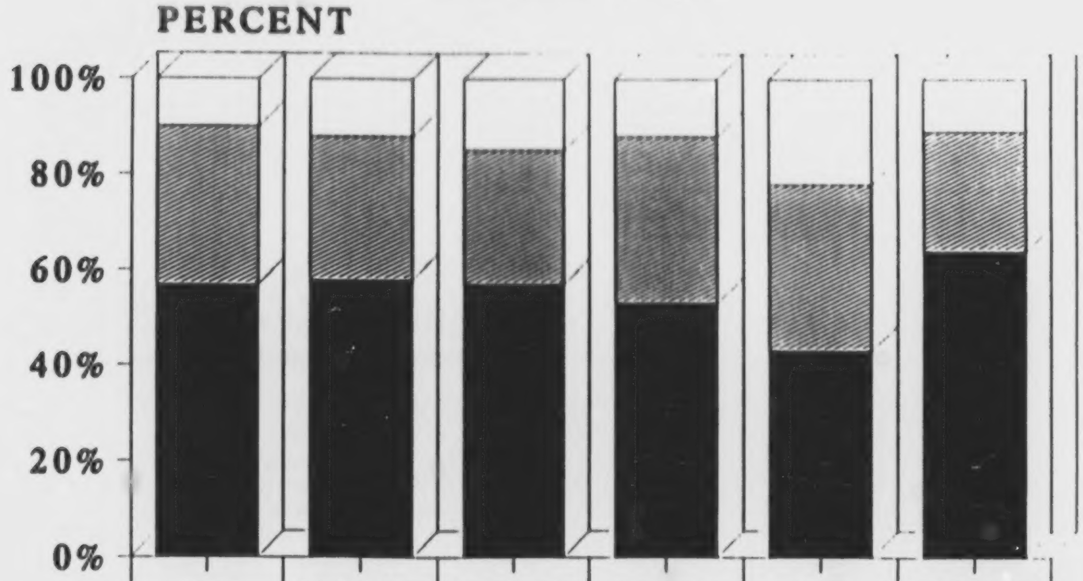
KENT STATE UNIVERSITY
STUDENT CREDIT HRS. TAUGHT BY FACULTY
FALL 1991



	ENGLISH	PSYC	NURS	SALEM RC	PHYSICS	ART
FULL-TIME	13,838	8,912	6,138	5,764	4,832	9,334
PART-TIME	8,028	2,100	165	2,727	5,247	1,891

SOURCE: INSTRUCTIONAL SERVICE REPORT

PERCENTAGE OF TIME SPENT IN TEACHING & ADVISING, SCHOLARSHIP, & ADMINISTRATION & SERVICE BY FULL-TIME FACULTY
SPRING, 1992

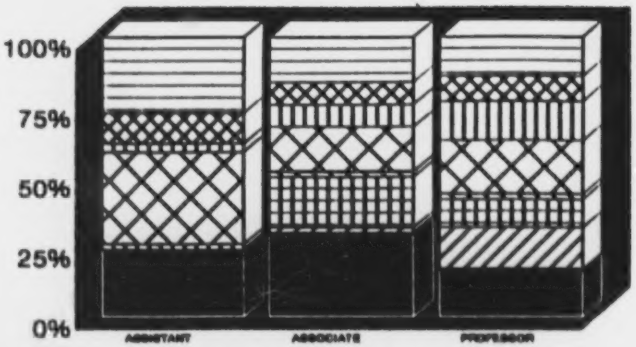


	ART	ENGLISH	NURSING	PHYSICS	PSYC	SALEM RC
ADMIN & SERVICE	10%	12%	15%	12%	22%	11%
SCHOLARSHIP	33%	30%	28%	35%	35%	25%
TEACHING & ADVISING	57%	58%	57%	53%	43%	64%

■ TEACHING & ADVISING ▨ SCHOLARSHIP
☐ ADMIN & SERVICE

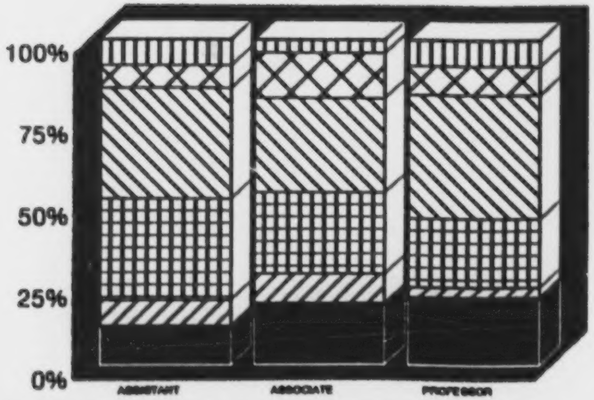
TYPES OF INSTRUCTIONAL ACTIVITIES FOR FULL-TIME FACULTY - KENT CAMPUS
SPRING 1992

SCHOOL OF ART



		ASSISTANT	ASSOCIATE	PROFESSOR
STUDENT EVALUATION	▤	27%	16%	14%
OTHER STUDENT CONTACT	☒	11%	8%	9%
INDIVIDUALIZED INSTRUC	▥	3%	8%	14%
CLASSROOM PREP	☐	33%	16%	19%
CLINICAL SUPERVISION	▧	0%	2%	2%
STUDIO & PERFORMANCE	▦	2%	18%	10%
LAB INSTRUCTION	▨	0%	2%	15%
CLASS INSTRUCTION	■	24%	30%	17%

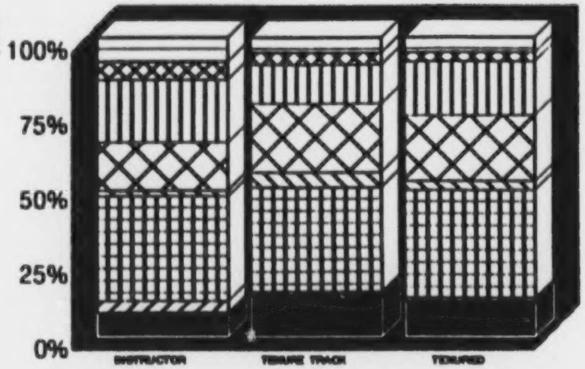
DEPARTMENT OF PSYCHOLOGY



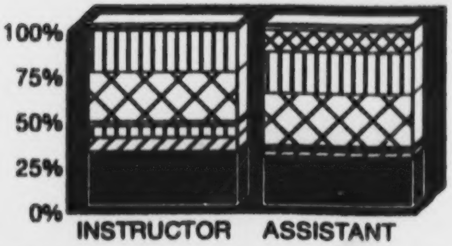
		ASSISTANT	ASSOCIATE	PROFESSOR
OTHER STUDENT CONTACT	▥	8%	4%	8%
STUDENT EVALUATION	☐	7%	14%	9%
CLASSROOM PREP	▧	34%	29%	38%
INDIVIDUALIZED INSTRUC	▦	31%	25%	21%
CLINICAL SUPERVISION	▨	8%	9%	3%
CLASS INSTRUCTION	■	12%	19%	21%

TYPES OF INSTRUCTIONAL ACTIVITIES FOR FULL-TIME FACULTY
SPRING 1992

SCHOOL OF NURSING



		INSTRUCTOR	TENURE TRACK	TENURED
TRAVEL	⊟	8%	5%	5%
OTHER STUDENT CONTACT	☒	6%	4%	3%
STUDENT EVALUATION	◫	21%	13%	18%
CLASSROOM PREP	☐	16%	23%	22%
INDIVIDUALIZED INSTRUC	⧅	2%	5%	3%
CLINICAL SUPERVISION	⊞	35%	35%	36%
LAB INSTRUCTION	▨	4%	1%	1%
CLASS INSTRUCTION	■	8%	14%	12%



		INSTRUCTOR	ASSISTANT
TRAVEL	☐	2%	1%
STUDIO & PERFORMANCE	⊟	0%	2%
OTHER STUDENT CONTACT	☒	1%	12%
STUDENT EVALUATION	◫	21%	23%
CLASSROOM PREP	⧄	25%	29%
INDIVIDUALIZED INSTRUC	⧅	2%	1%
CLINICAL SUPERVISION	⊞	6%	2%
LAB INSTRUCTION	▨	7%	3%
CLASS INSTRUCTION	■	27%	27%

SALEM CAMPUS

SAMPLE FACULTY PRODUCTIVITY WORK SHEET

Activity ______________________ Hours per week ______________

[illegible]ollege

M	T	W	Th	F	Sa	Su	Total

Comments:

C. University

M	T	W	Th	F	Sa	Su	Total

Comments:

D. Profession/discipline/higher education

Examples:
Pr[illegible]sional association officer
R[illegible]/taking courses to keep up with profession

M	T	W	Th	F	Sa	Su	Total

Comments:

E. Regulatory

Examples:
State and federal mandated. (e.g. assessment, human subject review, radiation safety)
Accreditation activities

M	T	W	Th	F	Sa	Su	Total

Comments:

TOTAL FOR ALL ADMINISTRATIVE ACTIVITIES

M	T	W	Th	F	Sa	Su	Total

TOTAL FOR ALL ACTIVITIES (I, II, III & IV)

M	T	W	Th	F	Sa	Su	Total

BEST COPY AVAILABLE

Activity **Hours per week**

II. Teaching (continued)

	M	T	W	Th	F	Sa	Su	Total
G. Evaluation of student work (include preparing, administering, and grading examinations and lab reports; review of clinical work; review of creative work) 1. LER courses								
2. Service courses								
3. Major courses								
4. Other undergraduate courses								
5. Graduate major courses								
6. Other graduate courses								
H. Other student contact (include course review sessions, reviews of examinations with students and contacts during office hours) Undergraduate								
Graduate								
I. Travel time (for inter-campus teaching)								

TOTAL FOR ALL TEACHING ACTIVITIES
(include Pages 3 and 4)

M	T	W	Th	F	Sa	Su	Total

III. Academic Advising

(include program, course, graduate school, and career advising and writing of letters of recommendation - do not include activities identified in II H)

M	T	W	Th	F	Sa	Su	Total

Comments:

V. Administrative

Department

Examples:
Committee (e.g., governance)
Recruitment
Fundraising
Travel time (for inter-campus meetings)

M	T	W	Th	F	Sa	Su	Total

Comments:

Activity	Hours per week							
II. Teaching (continued)								
D. Studio and Performance/exhibition supervision	M	T	W	Th	F	Sa	Su	Total
1. LER courses								
2. Service courses								
3. Major courses								
4. Other undergraduate courses								
5. Graduate major courses								
6. Other graduate courses								
E. Individualized instruction								
Undergraduate								
Graduate (Research projects, candidacy exams, Thesis/ Dissertation supervision and evaluation)								
F. Class preparation (include review of literature for current and future courses, syllabus preparation, creation and review of lesson plan and notes, preparation for use of A/V and computer equipment)								
1. LER courses								
2. Service courses								
3. Major courses								
4. Other undergraduate courses								
5. Graduate major courses								
6. Other graduate courses								

Activity	Hours per week							
	M	T	W	Th	F	Sa	Su	Total
II. **Teaching**								
A. Classroom instruction (indicate number of courses and number of students enrolled in each course in each classification.)								
1. LER courses								
2. Service courses								
3. Major courses								
4. Other undergraduate courses								
5. Graduate major courses								
6. Other graduate courses								
	M	T	W	Th	F	Sa	Su	Total
B. Laboratory instruction								
1. LER courses								
2. Service courses								
3. Major courses								
4. Other undergraduate courses								
5. Graduate major courses								
6. Other graduate courses								
	M	T	W	Th	F	Sa	Su	Total
C. Clinical supervision (include internships and activities in which student learns the profession)								
1. LER courses								
2. Service courses								
3. Major courses								
4. Other undergraduate courses								
5. Graduate major courses								
6. Other graduate courses								

y Hours per week

C. Application (Boyer's definition: ask "How can knowledge be responsibly applied to consequential problems?" i.e. knowledge that arises out of the very act of application—whether in "serving clients in psychotherapy, shaping public policy, creating an architectural design, or working with the public schools."

M	T	W	Th	F	Sa	Su	Total

Comments:

Examples:
Community projects/activities (e.g., speeches, interviews)
Clinical practice and services (give number served)
Corporate activities
State and federally funded activities (other than research)
Consulting
Performances/Exhibitions
K-12 activities
Other expertise-driven activities that are of service to community

D. Teaching (Boyer's definition: the planning and examination of pedagogical procedures)

M	T	W	Th	F	Sa	Su	Total

Comments:

Examples:
Curriculum development
Faculty training and mentoring
Oversight of graduate assistants
Activities involving how to teach (e.g., history as biography)
Activities involving teaching effectiveness (e.g., how students learn material)

TOTAL FOR ALL SCHOLARSHIP ACTIVITIES

M	T	W	Th	F	Sa	Su	Total

FACULTY PRODUCTIVITY WORK SHEET

Name______________________________

Rank______________________________

Department______________________________

Activity Hours per week

I. **Scholarship**

A. Research (Boyer's definition: ask "What is to be known, what is yet to be found?")

M	T	W	Th	F	Sa	Su	Total

Comments:

Examples:
- Grant writing and administration
- Research/Writing (include software)
- Reading research literature
- Referee articles/present papers
- Creative activity

B. Integration (Boyer's definition: ask "What do the research findings mean?" i.e., making connections across the disciplines, fitting research into larger intellectual patterns)

M	T	W	Th	F	Sa	Su	Total

Comments:

Examples:
- Interdisciplinary activities
- General education activities
- Collaborative activities
- Topical or problem centered activities
- Writing of textbooks
- Department colloquium
- Conference attendance

Appendix I

Ohio Medical School Action Plan

OHIO'S MEDICAL EDUCATION SYSTEM

In contrast to many other disciplines in higher education, (e.g. law, history, engineering), medical education and medical schools are intimately connected to the community through health care, including both access to care and the quality of care. Ohio has a system of medical education that is large and unique in the number of medical schools supported given the population. This large and diverse system of medical education has required a significant commitment in State resources, but these total costs need to be viewed in terms of the benefits. The investments in medical education that have been made over the past two decades by the General Assembly have been wise choices. These investments have resulted in a regional and diverse system that yields benefits to the citizens of Ohio that far outweigh the costs.

Regionalization/Decentralization

Many of the advantages of Ohio's investment come from the regional/decentralized nature that is unique to Ohio's system of medical education. Benefits are derived to the citizens of each region of the State as a result of their proximity to a medical school. These include:

ACCESS TO HEALTH CARE

* Medical residents are the primary providers of services to the medically indigent; teaching hospitals are major providers of health care to the poor.

* Medical schools have targeted programs designed to address the special health care needs of the urban poor and for outreach to persons in rural areas.

* The distribution of health care providers, including physicians, nurses and allied health professionals, has been facilitated through the provision of health professions education and training in each region of the State.

* Collaborative structures have improved access to health care, for example, Area Health Education Centers, Geriatric Programs, etc.

QUALITY OF HEALTH CARE

* The research and specialized expertise that is inherent in Ohio's academic health science centers improve the quality of care in specialty areas. Examples include cancer treatment, burn treatment, care for premature and ill newborns, etc.

* Continuing medical education and the involvement of local care providers in medical education improves the quality of primary care provided in the local community.

QUALITY OF LIFE IN EACH REGION OF OHIO

* The medical schools and academic health science centers are major employers in each region. These jobs range from technical and service positions to professional and academic positions. This is critically important for Ohio's future economic development since health care is one of the nation's fastest growing industries.

* The presence of an academic health science center is a major resource in attracting new businesses to an area.

* A significant source of new economic development may result from research technology spin-off ventures, for example, biotechnology firms, etc.

* Medical schools and health professions education in each region provide excellent access to Ohio students in pursuing health professions careers.

* Medical schools have contributed to a higher quality of life in each region of Ohio through activities that improve the health of the local population such as health education programs in elementary and secondary schools, and health promotion programs for the community.

Diversity of Ohio's System of Medical Education

Ohio's unique system has allowed each of the medical schools to differentially meet the unique needs of its own region.

* Each school has developed its own particular abilities and research strengths, some include strong graduate programs in the basic sciences.

* Ohio's diverse medical education system has given students the ability to choose the type of education that meets their personal aspirations, and that prepares a range of physicians for the various needs of Ohioans, including primary care physicians, researchers, osteopathic physicians, etc.

ACTION PLAN

Ohio's regionalized system of medical education has been highly effective. But new developments in educational technology and in biomedical research, as well as the expanded challenges presented by the costs of modern health care, make this an appropriate time for the colleges to extend their existing collaborative effort to a new, more active and more comprehensive stage.

The deans will work together to develop a joint Action Agenda that addresses the needs of the State by focussing on the improvement of health care through:

increased cost effectiveness
increased quality
improved access

The formal Action Agenda will be developed in the next few months, and will continuously evolve over time, but the deans have already agreed on the following specific activities:

* Ohio's colleges of medicine are committed to increasing the number and improving the distribution of primary care physicians in the State. Based on evidence now available, the deans agree that actions in this area will improve the quality and cost effectiveness of health care delivery. The Primary Care Task Force that the medical deans recently established will complete the initial phase of its work by June 4 so that the medical colleges can begin to implement appropriate changes as quickly as possible.

* The medical deans will create a medical education consortium to coordinate and share new methods and technologies in medical education among all of the campuses and to make more effective use of educational resources. Examples include: joint development of computer-based instructional programs; sharing of faculty through telecommunications; improved evaluation of clinical skills of medical students and resident physicians.

* Recognizing the diverse strengths of the medical schools in biomedical and health services research, a consortium will be established to facilitate joint opportunities. The consortium will explore possibilities such as: shared human and material resources; cooperative grant proposals, and others.

* The medical colleges will develop a collaborative program, drawing both on their own resources and those of other elements of higher education, to research and develop approaches to the practice of medicine and the delivery of health care that will lead to improvement in the cost-effective delivery of health care for all citizens.

* The medical deans are deeply concerned about the small number of people from under-represented and disadvantaged groups who become health professionals. The core problem in this area is the insufficient number of qualified students coming through the educational pipeline. The medical colleges will, therefore, expand their work with communities to increase public awareness of the importance of science and mathematics education and with schools to increase student interest and help teachers. A principal focus of these efforts will be active and sustained cooperation with Ohio's Project Discovery which is building regional consortia to improve science and mathematics education. The deans agree that, over time, substantially increased resources will be needed if these activities are to be fully successful.

* Health care issues such as cost and access are too important for medical schools to ignore. The medical deans will appoint a task force to develop innovative models of health care delivery with an initial focus and impact on programs and populations funded through state government, such as: state employees and retirees, workers' compensation, and public assistance beneficiaries. The medical colleges will also actively work with other health professions schools to continue to develop team approaches to health care delivery that will provide new and appropriate responses to serious problems-- for example, in more effective home care for the elderly.

* The medical colleges will take the lead in working with other agencies and organizations to create a mechanism that will accurately describe the balance between supply and need for physician services in Ohio. It is especially important that this mechanism consider fully the continually changing context within which medicine is practiced. For example, the number of licensed physicians is not a true measure of the physicians available to provide health care since it does not account for many retired physicians who have kept their licenses. Consideration needs to be given to other factors such as the number and distribution of specialists, and the number of people practicing part-time, etc. Previous studies of physician services in Ohio, which are in any case outdated, failed to consider adequately the entire range of relationships that determine the need for and access to medical care.

* The medical deans will, at their regular meetings, continue to maintain an agenda for addressing those issues in health care that, while not strictly in the purview of the medical schools, are ones in which change is needed to achieve the three goals of their collaboration: increased cost effectiveness; increased quality; and improved access. In this fashion the State's academic medical centers will be more fully effective as a resource in the public policy debates on health care delivery and financing.

Appendix J

Executive Summaries from the Managing for the Future Task Force

Reports of the Public Colleges & Universities

University of Akron

Akron, Ohio

Dr. Charles E. Taylor
Partner
Lamalie Associates, Inc.

Mr. Benjamin G. Ammons
Vice President/Total Quality Control
Bridgestone/Firestone, Inc.

Mr. David L. Brennan
Chairman of the Board
The Brenlin Group

Mrs. Marie Covington
President
Covington Communications

Mr. Anthony N. Gorant
Executive Vice President
Ohio Edison Company

Mr. Jack L. Heckel
President & COO
GenCorp

Mr. Joseph S. Kanfer
CEO
Go-Jo Industries, Inc.

Mr. John S. Steinhauer
Attorney

Mr. Peter Tavolier
President
Darcy Tape and Labels

MANAGING FOR THE FUTURE TASK FORCE

The University of Akron Response

PROCESS

At The University of Akron, we applaud the Ohio Board of Regents for seeking external consultation and review of management efficiencies in the state's higher education system. The University of Akron supports such examination and to this end, former President William V. Muse appointed an external management review committee in February 1991.

The Management Improvement Task Force, which consisted of 10 business and community leaders, studied University operations and presented a series of recommendations to the University Board of Trustees in June 1991. These recommendations included both short-term strategies for cost reduction and longer-term issues for further study. The task force's input has been extremely helpful. The names and institutional affiliation of task force members appears in Attachment I.

In addition to this external group, two internal committees collected information and provided analysis of various university operations. For the academic sector, information gathering and analysis was prepared by a subcommittee of the Strategic Planning and Review Committee (SPARC). SPARC is the University's primary strategic planning and budgeting committee and is composed of faculty, deans, and department heads. For the administrative sector, reports were prepared by a members of the President's Cabinet.

Given the austere budget outlook for higher education throughout the balance of the 1990s, the University's work in this regard will continue in earnest long after this report is submitted. The state's current and projected budgetary constraints, as well as the public's demand for greater accountability, require us to continue to seek ways to operate at maximum effectiveness and efficiency.

INTRODUCTION

Without question, there is a positive correlation between cost and quality in higher education. This relationship is becoming even stronger, as program thrusts, requirements, and instructional methods are increasingly affected by technological advances. In addition to increasing demands in the educational process for state-of-art equipment, laboratories, computers, and library resources, university programs of high quality require personalized attention to students.

It could be said that ideally, the highest quality teaching should be done by the best and highest paid faculty lecturing in expensive state-of-art classrooms to small groups of honors students who all receive university funded merit scholarships.

Conversely, it is often the case that low quality education occurs with low-paid, part-time teachers lecturing in outdated, poorly maintained classrooms to a very large number of underprepared students. These are, of course, extremes, but they do illustrate that there is a strong positive correlation between quality and cost in higher education.

National statistics clearly reflect a pattern of chronic underfunding of higher education in Ohio. According to the most recent available data, Ohio ranks 40th of the 50 states in terms of per-capita appropriations for higher education. As a result of this relatively low funding level, Ohio's public university tuitions are among the highest in the nation. According to 1990-91 figures, Ohio's average tuition ranked seventh highest in the nation.

However, the state's relatively high tuition rates do not offset underfunding by the state. When both tuition and state appropriations are taken together, Ohio still ranks 24th in terms of per student spending. Thus, Ohio institutions on average spend less per student than nearly half of the nation. OBR Chancellor Elaine Hairston recently noted that statewide, higher education enrollment has increased by 55,000 students in the last five years. During the same period, state support for higher education has declined.

This suggests that Ohio's public universities are achieving admirable results on "shoestring" budgets. Ohio's policymakers need to take a hard look at these data and their implications for quality and access.

It is not our intention or charge to document Ohio's lagging support for higher education. In this report, we strive to communicate that:

1) The University of Akron is a well managed, productive, and fiscally conservative institution.

2) The University's faculty, staff, and administration are striving for ever more cost-conscious decision making.

3) There is a significant gap between [illegible] expectations expressed for higher education in Ohio and the level of public funding required for this essential enterprise. If Ohio is serious about improving quality and increasing access to higher education, it must provide the resources to do so.

PRIORITIES OF THE UNIVERSITY OF AKRON

As an open-admissions, comprehensive, doctoral-granting institution, The University of Akron offers a full range of programs from developmental work through the Ph.D.

Since 1985, The University of Akron has been working toward several strategic priorities relating to improving the quality of education, research, service, and town/gown relations, and increasing the institution's visibility locally, regionally, nationally and internationally. These efforts contribute in large measure to the vitality of northeast Ohio--spawning economic activity generally and, particularly, in the polymer areas; strengthening selected academic programs via selective excellence initiatives; encouraging educational achievement by creating pre-college programs for at-risk youth as well as the academically talented; instituting higher standards for entering students; and increasing the diversity of The University of Akron's student body and workforce.

These objectives, however worthy, have substantial costs. Much of the cost has been covered by non-public external funding, most notably, through substantial growth in external research funding and private gifts. External research support has grown from about $3 million in the early 1980s to $14 million in 1990-91. In January 1992, the University reached its $52-million capital campaign goal, the largest in its history, several months ahead of schedule. This strong support despite economically distressed times reflects public awareness and support of The University of Akron.

Unfortunately, private support cannot make up the growing gap between institutional costs and funding provided through state appropriations and student fees. In addition to reduced state funding, the University's income in comparison to other state institutions has been limited due to its historical pattern of lower-than-average tuition rates. This issue will be addressed later under recommended state-level changes.

The University's strategic planning committee currently is engaged in the process of reexamining the institution's mission, priorities, and resource allocations. In this environment of constrained resources, the University must set priorities and make hard choices which may adversely affect the quality of programs, particularly those which are not of the highest priority or lack access to external sources of funding.

It must be recognized that the state's emphasis on increasing access to higher education and encouraging a larger proportion of high school graduates, regardless of their academic preparation, to go to college – without providing the concomitant resources – is problematic.

Growing numbers of entering students at The University of Akron are underprepared for college-level work and, thus, require remedial work, personalized attention, enhanced advising, tutoring, and other support services. Although such intervention is costly, it is essential to truly give these students a realistic opportunity to succeed. Unfortunately, the state's current funding formula provides the lowest level of subvention for students needing the most help.

Many Ohio universities, perhaps encouraged in part by the funding formula, have moved toward increasingly selective admission standards in order to target their resources toward adequately prepared students, who are more likely to succeed. The University of Akron has maintained open admissions and experienced enrollment growth, particularly in the number of underprepared students, during much of the 1980s. UA has been forced to meet these burgeoning demands, given its budget constraints, by utilizing an increasing number of part-time faculty for undergraduate instruction.

Belmont Technical College

St. Clairsville, Ohio

Mr. Jim Bronchik

Ms. Ann Carson

Mr. Terry Lee, CPA

Mr. Tim McKelvey

Ms. Deanna Meyer

Mr. Paul Weil

Mrs. Barbara Rush

Executive Summary

Based on its review, the overall conclusion of the Task Force is that Belmont Technical College is efficiently managed and uniquely serves its three-county service district. In fact, its $5.7 million (approximate) budget is nearly $1.2 million below the state average used in the OBR cost/subsidy models. Of the total budget; 51.5 percent is devoted to instruction, academic support, and student services staff compensation; 15.7 percent to institutional support, plant operation and maintenance staff compensation; and 4.9 percent to public service compensation. The remaining 27.9 percent of the budget is devoted to operating expenses In excess of 2,200 students are served annually.

The College emphasizes teaching, accessibility, affordability, and employability for its students. For most, it provides the only opportunity to train for the evolving job market in Eastern Ohio. Some 300 students graduate annually with 90 percent employment. Therefore, the College generates the equivalent of a major employer in newly employed workers annually.

This is not to suggest Belmont Technical College cannot continue to improve. It can. However, this review has demonstrated the College is aware of its weaknesses and is attempting to correct them within an already limited resource base. (See attached excerpt from "Original Draft - Comprehensive Development Plan".) Thus, the Task Force recommendations to the institution noted herein begin with the strong recommendation to implement the plan.

Recommendations

To the College:

1.) Continue the development process outlined in the Comprehensive Development Plan - especially in the area of computerization of administrative functions.

2.) Consider leasing and/or timesharing computers as an alternative.

3.) Expand marketing of College services to potential students.

4.) Expand offerings in the areas of continuing education and customized business and industrial training.

5.) Reduce reliance on part-time faculty.

6.) Increase the use of data-based decision-making.

7.) Increase the amount of retraining available for displaced workers.

8.) Pursue a change of institutional name to include the word "Community" to more clearly reflect programs and differentiate from Ohio University.

9.) Continue and expand cooperative ventures with Ohio University especially in the area of "two plus two" bachelor's degree programs.

10.) Develop new programs reflective of emerging job market needs especially in Health, Human Services, and Corrections.

To the State:

1.) Appoint members of the Board of Regents who nave first-hand knowledge of two-year colleges.

2.) Create a system of Community Colleges uniquely differentiated from the state's system of Universities.

3.) Change the funding of all colleges and universities to reflect a "state share" consistent across all institutions.

4.) Restructure funding of all education (not just postsecondary) to ensure equitable funding throughout the state.

5.) Expand the availability of bachelor's and master's degrees in Eastern Ohio to serve placebound individuals.

6.) Develop some form of statewide health insurance for colleges and universities to help control costs.

The committee recognizes that some of these recommendations will require more not less funding. It also notes that some will result in cost savings and others can be accomplished at no material cost. It is unified in its view that improved education incorporating these recommendations is necessary for the economic recovery of the region.

Bowling Green State University

Bowling Green, Ohio

Dr. Eloise Clark
Vice President for Academic Affairs

Dr. J. Christopher Dalton
Vice President for Planning & Budgeting

Dr. Karen Gould
Professor of Romance Languages

Mr. Stephen McEwen, President
Henry Filters (Pending)

Mr. Richard Newlove
President, Board of Trustees

Ms. Patricia Spengler
Vice President for Human Resources
Mid-American National Bank

Dr. Winifred Stone, Associate Dean
Graduate College

Dr. Fred Williams, Dean
College of Business Administration

Report of the Bowling Green State University Managing for the Future Task Force

The eight-member Task Force was chosen to reflect breadth of experience and point of view of the University community as well as the perspective of business. Its membership consisted of two persons from the local business community – Ms. Patricia Spengler, Vice President/Associate General Counsel, Mid Am, Inc., who chaired the Committee, and Mr. Stephen McEwen, President, Henry Filters. Chairman of the BGSU Board of Trustees, Mr. Richard Newlove, President of Newlove Realty, Inc., who is also a local businessman, provided the insights and perspective of the Board of Trustees. The remaining members were from the University -- Eloise Clark, Vice President for Academic Affairs; Christopher Dalton, Vice President for Planning and Budgeting; Fred Williams, Dean of the College of Business Administration; Winifred Stone, Associate Dean of the Graduate College and Director of Graduate Admissions; and Karen Gould, Director of Women's Studies and Professor of Romance Languages.

The Committee met approximately biweekly beginning in September. The schedule of agenda topics addressed in the meetings is provided in Appendix A. In many cases preparation for these discussions was accompanied by appropriate data and reports concerning the University along with general readings on the topic. (A sample is given in Appendix B.)

Findings and Recommendations

Although the Committee was dedicated to the task of considering how to manage limited resources effectively for the future, all members of the Committee were very concerned about state budget reductions for higher education. The Committee strongly believes that institutions of higher education in general, and BGSU in particular, have borne more than their share of budget cuts. Employees have been faced with increased workloads to offset hiring freezes, higher charges for health care coverage, uncertainty as to job security, and no increases in salaries. Tuition has increased while the introduction of new programs has been greatly curtailed and services have decreased. All these drastic actions have been taken as a result of state budget cuts.

While the Committee agrees that effectively managing resources for the future is always a worthy goal, our primary concern is that higher education has been forced to do more than its fair share already. Even though higher education receives less than 13% of the state budget, it has absorbed 39% of the total cut in February of 1991 and 29% of the total cut in December 1991. BGSU has responded to these cuts by aggressively controlling spending and managing resources. Although the University is committed to following this course for the future, the Committee believes that funding cuts to this institution must cease or irreparable harm will occur.

In accordance with its mandate, the Committee began meeting on Septemb 20, 1992. We discussed the Managing for the Future Institutional Committee Charge and the issues to be addressed. We discussed those materials that would be helpful in providing background for the Committee. We also met with Dr. Philip Mason, Vice President for University Relations, regarding his thoughts about the process. We then developed a plan to address the issues before the Committee. The minutes and supporting materials from our meetings are attached as Appendices.

The Committee reached several conclusions as a result of our meetings. First, in discussing the many areas and issues facing the University, we became convinced that BGSU has done quite well in managing resources and controlling expenses. In each area discussed, we found that BG was well on its way to managing effectively for the future. Second, we discussed incentive systems, especially at the level of merit/incentive compensation, and believe that significant improvements could be made to the current incentive system for faculty. Finally, we determined that BG's success in achieving cost efficiency should be more aggressively promoted to the public.

Throughout our discussions, the Committee focused on the importance of appropriate incentive systems -- systems which stimulate, recognize, and reward individual and collective achievements that contribute to important University objectives. Maintaining appropriate incentive systems seems to hold great promise for addressing a number of our concerns about managing for the future. Time af time we returned to issues of incentives, both at the individual and collective levels. Specifically, we discussed the need for appropriate incentive compensation at the individual level and for appropriate incentives at the department and collegiate levels. This issue came up in several contexts, including appropriate incentives for faculty to increase instructional productivity.

In practice, the most critical decisions relating to the quality, efficiency, and effectiveness of an academic unit are made by its faculty -- either individually, or collectively at the department or collegiate level. Individual faculty members, guided by the department and college policies they have developed, allocate their time and effort among the three general areas of responsibility; instruction, scholarship, and service. The congruence of their efforts with university objectives will be heavily influenced by the incentive system imbedded in those department and collegiate policies.

The current reductions in state support bring issues of productivity and efficiency into sharp focus. Calls for more productivity are typically couched in terms of instructional productivity, the single dimension of faculty output that is arguably the most visible and easily understood. However, care must be taken to avoid drawing premature, and erroneous judgments about overall faculty productivity and efficiency on the basis of a single measure, without due consideration of other critically important dimensions of output, such as the breadth of faculty activities and responsibilities and the quality of academic programs. Since decisions about faculty activity must appropriately remain at the lowest organizational level, closest to the actual activity, there is a clear need to develop comprehensive incentive systems compatible with University goals and objectives, and with appropriate consideration for efficiency and productivity. Short term economic conditions pose some complications for immediate changes in the faculty compensation system, but those difficulties should not inhibit immediate consideration of structural changes which could be implemented as soon as conditions permit.

Public relations efforts of the University were also considered by the Committee. Specifically, we discussed public relations in connection with faculty involvement in decision-making (i.e., the budget process), cooperative efforts among higher education institutions, and the quality of service provided even in the face of increasing budget cuts. We need to make the public more aware of the quality of service provided in the face of severe and worsening budget cuts.

The Committee believes that BGSU has made great strides in managing its limited resources effectively. Our greatest concern is that continued decreases in funding will defeat efforts to continue to provide quality service so vital to our region and the entire state. We trust the State legislature and administration have given as much thought to this topic from their perspective, and that they too are considering ways to assist all institutions of higher education.

The mission of the University and the directions it has taken in the past decade are presented in Appendix C. Recognizing and endorsing that mission, the Committee presents the following recommendations:

Recommendation 1: Currently, adequate flexibility exists to reorganize administrative units, academic support services, and auxiliary units to achieve efficiencies, more effective service, and fiscal economies. While academic decisions remain the primary province of the faculty, certain organizational changes of programs that may be considered administrative, i.e., to promote sharing and the most effective allocation of personnel and financial resources, currently are not easily accomplished. Progress needs to be made within the academic program areas to gain organization flexibility. It should be understood that the purposes of such restructuring would be to reduce administrative overhead and achieve appropriate use of personnel. Such restructuring generally would not result in loss of faculty positions. It would, however, allow for the more effective allocation of personnel.

The Task Force recommends that the language of the Charter be amended with approval of the Trustees to provide the necessary flexibility to facilitate appropriate restructuring of academic units.

Recommendation 2: The University has undertaken a self-study in preparation for the reaccreditation review by the North Central Association. As the final reports are prepared and reviewed by the University community, attention should be given to ways in which the University can improve its effectiveness and make the best use available resources. The review and use of these reports should, in part, attempt to identify specific ways in which expenditures could be reduced without harming educational quality. At the College level – and throughout the University -- efforts should be made to streamline services and academic offerings. A more critical process to review proposed changes and to evaluate those that occur more gradually should be established. Answers to the questions "why the change" and "what are its consequences" must be sought in an environment that does not inhibit the intellectual agenda or the advancement of the University's academic programs. Given that the University is unlikely to increase faculty and staff for the foreseeable future, some important activities may be given up in the interest of enhancing the quality of the even more important ones that must persist.

> **The Task Force recommends that the NCA self-study be used as a framework for developing plans and processes to improve quality and to achieve growth or change in the future by substitution rather than accretion.**

Recommendation 3: The existing salary policy for faculty and administrative staff allows for the distribution of 60% of the annual increment across the board with the remaining 40% distributed on the basis of merit. [*]

The Committee believes this policy does not provide adequate incentives at the individual or department levels. At the individual level, departments vary significantly in the criteria for merit review and in how the criteria are applied to individual performance. Department criteria are occasionally inflexible, discouraging the development and recognition of appropriate differences of individual talent and interest in terms of scholarship and instructional effectiveness. At the unit level, the practice of distributing annual salary increments to units as a percentage of the unit's salary base is incompatible, indeed antithetical, with developing and recognizing outstanding unit performance. By creating a zero-sum game in the unit, this practice tends to nullify an important incentive (compensation) for the kind of cooperative activity that might contribute to outstanding unit performance. This practice can also severely distort the relationship between individual performance and reward, simply by virtue of an individual's location within the organizational structure. Small units of outstanding performers are especially disadvantaged by this practice. The committee recognized the highly volatile nature of suggested changes in salary policy. At the same time, the current salary policy and the practice discussed above, are ineffective and seriously divisive. They should be modified to forms more compatible with the overall objective of appropriately recognizing and rewarding individual and unit performance.

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[*] The salary policy for classified staff is not considered in this report. A proposal by Classified Staff Council to revise that policy with elimination of step and longevity increases effective July 1994 has been accepted by the administration.

The Task Force recommends a change in the salary policy that would:

- **a. require greater uniformity in the criteria**
- **b. provide greater incentive for enhancing productivity**
- **c. allow individual faculty the option to tailor within limits the basis for their evaluation to a negotiated assignment (i.e., the salary policy should recognize differential faculty assignments with respect to instructional, research and service activities, and should reward performance on this basis.)**
- **d. develop criteria that more adequately reward exceptional individuals or exceptional departments. This might be achieved by enhancing the initial allocation to units, or could be redressed through additional allocations to individuals at the collegiate level.**

Whatever the final system, there was a compelling belief on the part of the Task Force that the purposes of the University would be best served if the reward system could be structured to provide greater incentives. Formal implementation of any change, however, should be in the context of full consideration of the impact of the problems caused by the current financial constraint and recognition of the necessity to improve salaries to a competitive level.

Narrative

As described in the earlier section of this report, the University has currently been adjusting to severe reductions in its budget. The principles that are used to guide these reductions are described in some detail in Appendix D. In general the academic mission of the University is the highest priority. This includes maintaining the quality of the instructional programs while at the same time providing sustaining support for the critical scholarship of faculty and students. Providing an enhanced quality education for undergraduate students, and high caliber programs for graduate students, have long been dual goals of the University. (See Appendix C for full description of priorities.) While we work toward academic improvements. significant effort also has been directed toward achieving cost effectiveness of administrative functions. (Some examples are described briefly in Appendix E.)

The improvement in the availability of microcomputers and the new telecommunications systems position the University to take optimal advantage of the new OhioLINK capabilities. We expect to be on-line with this system by September. The eventual access to library holdings statewide as well as to important data resources will be a major advance in providing information for our students and faculty. In view of the extraordinary escalation of serial purchases and print costs, we expect to be able to provide this information more efficiently through shared resources.

Measures of Quality/Assessment/Rewards

Until recently, BGSU was able to provide incentives (i.e., modest increases in operating and personnel budgets) to those departments that reviewed their programs, identified educational priorities, and provided clear plans for improvements and for achieving or sustaining excellence. The opportunity to seek augmented funding was open to all departments and selections were made on a competitive basis. In most cases external consultants were used to provide objective assessments of the quality of the department and the appropriateness of the chosen academic directions. The opportunity to acquire extra funding was a powerful incentive for continuing improvement – even the departments that were not chosen benefited from the review and evaluation of their programs. Program review and evaluation will continue even though for the immediate future it will not be possible to provide augmented resources for exceptional departments. The challenge will be to maintain morale and motivation toward excellence in a climate that cannot provide commensurate rewards.

As part of the NCA accreditation self-study, a special ad hoc committee is developing a process to improve the assessment of student progress. Details of their recommendations will be provided when available. In the absence of a university-wide process for assessing student achievement, the Task Force focused on the rew[illegible] system in-so-far as it related to faculty performance. (See Recommendation 3)

At BGSU, we strive for balance between excellent teaching and faculty pursuit of research/scholarly/creative activities. Together they foster the healthy productivity characteristic of a mature university. As described in Recommendation 3, however, we have not yet achieved a reward system that provides appropriate recognition of individual performance while balancing recognition of excellence in teaching and scholarship.

Faculty Productivity

Defining faculty productivity and providing adequate incentives for its improvement were recurring themes of discussion for the Task Force. There was general agreement that determinations of productivity must be multifaceted and should take into consideration the diversity of talents, disciplines, and ethnic representation.

A mid-size university such as BGSU offers the advantages of a large institution while attempting to personalize the learning experience of undergraduates much as would be found at a small liberal arts college. This special mission places unique demands on the faculty to achieve balance among its responsibilities for teaching excellence, undergraduate and graduate student advising, productive scholarship, and university service defined in its broadest terms.

As measured by the improved academic quality of the undergraduate students who enter the university, the rate of their retention, increased enrollment in its graduate programs, increase in state and national recognition, and external awards to its faculty, the institution is increasingly successful. In addition, the ten year program of capital improvement and enhancement of classroom, library, laboratory and computing facilities, provides yet other measures of commitment to improving the academic environment for learning.

In summary, Bowling Green State University offers high quality education at low cost to its students. This low cost policy, combined with efficient management, has provided educational opportunities for many students who would not otherwise have been able to afford them. The Trustees have been effective in establishing these directions for the institution and strongly support the concept of shared governance in executing their authority. The changes recommended by the Task Force will require clarifying the lines of Trustee authority in relation to the Academic Charter in order to provide appropriate flexibility and salary incentives to allow for continuing future improvements in the quality of educational offerings at BGSU.

Central Ohio Technical College
Newark, Ohio

Mr. Joe J. Bernat, Chairman
Retired
Former V.P. & Gen. Mgr.
Rod, Bar & Wire Div.
Kaiser Aluminum Corp.

Mr. Randall C. Ingold
Director Business & Financial
Affairs/Treasurer
COTC/OSUN

Mr. William S. Moore
Retired Business Executive
Former Mayor of Newark

Ms. Carol Morris
Instructor, Accounting Tech.
COTC

Mr. Robert J. Pond
Instructor, Engineering Tech.
COTC

Mr. Barry Riley
President, Able Transit
COTC Board of Trustees Member

Dr. Paul Treece
Assistant to the President
COTC

Ms. Shelly Weakley
Manager, Computer Operations &
Telecommunications
COTC/OSUN

Mr. John H. Weaver
Retired
Former Owner/President
Fyrepel Company

Dr. James Woolard
Manager Facilities/Support Services
COTC/OSUN

EXECUTIVE SUMMARY

The following are the results of our deliberations, and are recommendations to be considered by the Board of Trustees and the College Administration.

The issue of productivity, faculty effectiveness and quality of education is addressed by recommending a quality management and a continuous improvement process be implemented throughout the College.

The College should develop an accounting scheme that develops by curriculum the cost and income generated. The intent of this is not to force all decisions to be made on a cost basis, but to identify the funding needed to operate effectively.

The College no longer receives instructual subsidy from the Department of Education. The office of Academic Affairs needs to conduct a comprehensive academic review with regards to reducing additional contact hours. If the hours can be reduced, there could be significant cost reduction in certain programs.

The Task Force reviewed the relationship between COTC/JVS. The Committee strongly recommends and endorses the accreditation process being used by both institutions.

The College must continue with its strategic planning efforts. Establishment of the long range view and the direction of the College needs to be defined and redefined.

The Task Force recommends that some form of assessment testing be made mandatory for all students.

The Task Force recommends continued support for developmental education.

The Task Force recommends that full/part time faculty ratios be best determined by the academic requirement.

The Task Force recommends that the funding formula be rewritten and simplified. The complexity of the funding models makes planning and controlling cost more difficult than necessary.

The Task Force recommends that the state review the capital allocation process as we feel the entire procedure has grown unresponsive to the needs.

The Task Force recommends additional cost reduction strategies that should be implemented as soon as possible by the administration.

OVERVIEW

The "Managing for the Future Task force" was formed and met for the first time on January 28, 1992. Prior to the meeting each participant was given three pieces of information to help in orientation to the task. These were 1) COTC Institutional Goals and Objectives, 2) Management for the Future Task Force Goals and 3) Remarks from Governor Voinovich.

The statewide goals became our goals factored with a local view of issues.

1) To understand and communicate the relationship between quality and cost in higher education.

2) To plan strategies for managing higher education in a constrained resource environment.

3) To demonstrate and report to the Governor and General Assembly ways in which colleges and universities are or can be more effectively and efficiently managed, and strategies identified for improved management.

From the onset of this committee, it became obvious that in depth cost analysis could not be accomplished due to resource availability and allocation. We also recognized that there were ongoing cost reduction efforts required by budget constraints and these appeared to be effective. The task force will make additional recommendations concerning this issue.

Our efforts, therefore, were directed toward strategies and recommendations for improved effective use of the resources available. The task force also raised some issues that the state should address or, if already addressing, a need to communicate in a more effective manner, the status of these issues.

The task force met on 14 separate occasions at the college and subgroups of the committee meet with individuals away from campus who were considered as having significant input. These individuals were:

Dr. Robert Barnes, former Pres/Dean
Mr. Jack Lytle, former trustee and Divison Chair Business
Mr. William Mann, Superintendent of JVS

Some items not included in the body of this report, but items we felt to have significant impact on the College are as follows:

A clear communication on the state's position on all co-located campuses.

The funding for remedial education needs to be recognized which also leads to the mission for 2-year colleges and responsibility to our high school graduates.

The state should review its control system and reporting requirement, to search for duplication and repetition. We feel that positive efforts at the various institutions could be negated by reporting and justification requirement.

The state needs to review its relationship with business and industry. The committee feels that the state's use of its tech college system to attract and hold business and industry need strong revitalization. A short tour through some state systems in the south brings the point home directly.

Central State University

Wilberforce, Ohio

Mrs. Blanche I. Mayo, Chairperson
Vice President for Administrative Support Services

Dr. Thyrsa Svager
Executive Vice President & Provost

Dr. Willie Washington
Vice President for Academic Affairs

Mr. Dwight Johnson
Vice President for Finance & Business Afairs & Treasurer

Mr. Samuel S. Jackson
Vice President for Student Affairs

Dr. Charles Showell. Dean
College of Business Administration

Dr. Laxley Rodney
Academic Proposal Writer

Mr. James Sangster
Executive Director of Development & Int'l Affairs

Dr. Barbara Fleming
Director of Strategic Planning & Institutional Research

Community Members:

Mr. James Francis
Executive Assistant to the Dayton City Commission

SECTION IV

SUMMARY

Effective management of Central State University in the future will be guided by implementation of the six key priority areas listed previously in this document. Within these six priority areas, the University's operations will focus on strengthening the following activities such that they will become exemplary aspects of our total "Managing for the Future" effort.

A.) Enhancement of Undergraduate Studies through:

- A strengthened core curriculum with built-in assessment to more thoroughly prepare our students for graduate and professional school;
- Increased emphasis on undergraduate research as a strategy for preparing our students for graduate and professional school;
- Strengthening of academic programs in scientific and technical fields where the potential for future professional growth and development are excellent. The enhanced scientific and technical programs will complement activity in Manufacturing Engineering and Water Resources Management. The University plans to aggressively pursue expansion and development of academic programs in the sciences through research grants, improvement to physical plant in these areas, and through a new $8 million building to house the Center for Water Resources Management.
- Development of new undergraduate programs in Airway Science and Hospitality Management. The Hospitality Management program has been funded for $103,000 by Title III under the U.S. Department of Education's Strengthening Historically Black Colleges and Universities Program. It is anticipated that the Airway Science program will be funded in part by grants from the Federal Aviation Administration.

B.) Re-Establishment and Expansion of Graduate Education

Central State University has made impressive progress in re-establishing its graduate program in education leading to the Master's of Education degree. The University plans to expand graduate education to include the areas of Manufacturing Engineering and Water Resources Management. Central State plans to work cooperatively with The Ohio State University as it develops its programs of graduate study. Joint committees between the universities have been established for the purpose of developing guidelines for the implementation of an array of academic programs.

C.) Internationalization of University Programs and Curriculum

- Central State is placing greater emphases on the internationalization of the curriculum via an interdisciplinary approach that coordinates joint programs and projects in the Institute for International Affairs, the International Center for Water Resources management, and the Department of Manufacturing Engineering. A proposal has been submitted to the U.S. Department of Education requesting funds to assist the University in plans to augment the proficiency of its students in the French and Wolof languages and to assist them to become better acquainted with the cultures of the West African nations of Senegal and Mali. The increased proficiency of our students in West African languages and culture will enhance current university sponsored projects in Northern Senegal and Ghana. Moreover, preliminary contacts have been made with Teacher Training Institutions, universities, and Ministry of Education officials in Namibia and Jamaica as part of a long range plan to internationalize the curriculum in the College of Education.

- The University's Institute for International Affairs was established in June, 1987, for the purpose of facilitating research, development, trade, and economic development in sub-Saharan African and Caribbean countries. The Developing Nations Product Center, a component of the Institute for International Affairs was established in April, 1989, to promote Ohio-produced equipment and products for both prototype production and manufacturing training to meet the needs of developing nations.

D.) Development of federal, state, and private sources of revenue for the University through contracts, grants, and gifts.

The Central State University Foundation's goals include identifying, cultivating, and soliciting donors for the purpose of building endowment and general operating funds. The CSU Foundation has set an ambitious target of raising $3 million over the next five years for student scholarships, faculty development and enhancement of academic programs. The University's track record in securing research grants and contracts has been impressive as the list of funded grants/contracts appended to this document illustrates.

E.) More efficient academic program operation through eliminating redundancies in individual courses and programs and more cost-effective administrative operations through reduction and elimination of operational areas that are no longer effective.

Recent cost-saving initiatives at the University have resulted in a consolidation of academic programs and reduction of courses through elimination of programs in Business Education, Child Development Technology and Fashion Merchandizing. Based on continuing academic program review, the following programs are being considered for elimination: Earth Science, Theater, Literature, Industrial Arts Education, and Anthropology. Other cost-savings have resulted from the reduction and/or elimination of specific operational areas and through more effective collaboration among the remaining operational areas.

RECOMMENDATIONS

The Statewide Managing for the Future Task Force asked each Institution the following question:

> "What state-level changes should be made to ease your ability to sustain quality and manage costs more effectively and efficiently?"

Central State University submits the following recommendations for state-level as well as institutional change.

State Level Recommendations

1.) **Reassess current subsidy formula for the purpose of revising the formula to make it more equitable with respect to funding for universities whose enrollment patterns do not fit the components of the subsidy formula.**

2.) **Continue and enhance centralized planning process to identify future economies of scale across the higher education system in Ohio, especially in the areas of purchasing, travel, and telecommunications.**

3.) **Restructure process in state architect's office to shift decision-making to the campus level in order to expedite award of contracts and completion of capital construction projects.**

4.) **Review collective bargaining process for the purpose of streamlining disciplinary and/or termination procedures of employees for cause.**

5.) **Establish minimum faculty workload of twelve contact hours across the public higher education system in Ohio.**

6.) Develop mechanisms that promote accountability for college readiness at the K-12 level across Ohio's public elementary, middle, and secondary schools.

7.) Increase access to Ohio's four-year publicly-assisted universities for African-Americans and other minorities by developing financial and academic support programs at 4-yea institutions that focus on developing these students within the 4-year academic environment. Restricting access to blacks and other minority students with low or marginal high school academic achievement is inconsistent with a policy of increased access at the 4-year level. Currently, 45 percent of black headcount enrollment and 55 percent of Hispanic headcount enrollment in higher education is concentrated at the 2-year level where completion rates and transfer rates to 4-year colleges are minimal, i.e., just 10 percent of blacks at the 2-year level transfer to 4-year institutions. Minority elementary and secondary enrollment levels are expanding rapidly, especially among the low-income segments of minority populations. Restricting access to a 4-year liberal arts education and the baccalaureate degree is incompatible with a policy that promotes access at the 4-year level for minority populations. Diverting a disproportionately large number of minority students into the 2-year system is also incompatible with a policy that promotes access to a 4-year liberal arts education for minority populations.

8.) System-wide, the Ohio Board of Regents should implement the five strategic goals which were established in its 1988 policy study, "Student Access and Success in Ohio's Higher Education System." More specifically, the OBR should target parity in proportional headcount enrollment by racial/ethnic group as the over-arching goal of its commitment to access. Parity is defined as a minimum or floor with respect to headcount enrollment across the higher education system that is equal to the racial/ethnic percentage of elementary and secondary enrollment in the state of Ohio. Parity is also defined as a moving target that will change from year to year as the elementary and secondary state population changes. The five goals enumerated by the 1988 OBR policy study are listed as follows:

Goal 1: To increase the number of individuals participating in higher education at each level (associate, baccalaureate, graduate, professional) with particular attention to minority students.

Goal 2: To increase the number of returning and continuing students in Ohio's colleges and universities, with particular attention to minority students.

Goal 3: To improve the rate of degree completion at all levels of higher education and in all colleges and universities, with particular attention to minority students.

Goal 4: To increase minority student enrollments, over a ten-year period to at least proportional representation for each college and university service area.

Goal 5: To assure that all students are accorded the benefit of faculty and a learning environment generally representative of the racial/ethnic mix found in the service district of the college or university.

9.) The Ohio Board of Regents should develop and implement a minority retention data base for the purpose of tracking and reporting minority student withdrawals from 4-year publicly-assisted universities in the state of Ohio to ascertain withdrawal rates by race by institution as well as reasons for withdrawing by institution. Currently, 75 percent of blacks attending 4-year public institutions in Ohio fail to complete their degrees after 5 years. This data base should also be designed to track and report completion rates for blacks and other minorities in the public higher education system of Ohio to ascertain completion rates vs. admission rates by race by institution and to track and report the length of time it takes minority students to complete their degrees across the 4-year system.

Institutional Recommendations

1.) Develop implementation plan that allows the University to track progress toward implementing its strategic goals in a systematic way.

2.) Develop a course scheduling process that facilitates and expedites completion of core and major course requirements and that insures that students will be able to move through their academic program consistently and to complete their degree requirements as quickly as possible.

3.) Augment current academic advising program such that all students receive timely and informed advice with respect to developing their course schedules.

4.) Implement current Strategic Marketing Plan in the Office of Admissions.

5.) Enhance process for matriculation through the University College with an emphasis on strengthening the tutoring and mentoring services currently provided.

6.) Augment recruitment process at the two-year level via enhanced articulation agreements with two-year publicly-assisted colleges in the state of Ohio.

7.) Evaluate the feasibility of implementing Total Quality Management principles into the University's administrative operations and into the curriculums of the College of Business Administration and the Department of Manufacturing Engineering.

8.) Develop comprehensive strategy for increasing fund-raising activities in the private sector.

Cincinnati Technical College
Cincinnati, Ohio

Theodore Mauser (Chair)
Vice President, Human Resources
Cincinnati Milacron, Inc.

Howard Bond, President
Executech Consultants, Inc.

Gardenia Butler
Executive Director, M2SE

Henry Christomon, Director
Employment & Training
City of Cincinnati

Richard Glover, Vice President
Engineering
The Procter & Gamble Company

Daniel G. Gregorie, M.D.
President & CEO
ChoiceCare

Virginia K. Griffin
Member, Board of Education
Cincinnati Public Schools

Karen D. Hoeb
Executive Director
The Greater Cincinnati Foundation

W. M. (Bill) James
Director, Personnel Administration
Research & Development
The Procter & Gamble Company

1. EXECUTIVE SUMMARY

The Cincinnati Technical College Managing for the Future Task Force included 18 greater Cincinnatians from business, industry, civic organizations, the media, and government. The members were selected by the College president and approved by the College Board of Trustees.

From November 1991 through May 1992 the Task Force held six meetings. The membership broke up into three subcommittees which met separately. The subcommittees studied the following issues: Quality Enhancement, Revenue Enhancement, and Expense Reduction.

Each subcommittee presented a report and made recommendations to the full Task Force. Reports and recommendations were discussed and consensus was reached.

The Task Force agreed that it should meet annually to review progress and offer further assistance.

University of Cincinnati
Cincinnati, Ohio

Susan Bacon
College of Arts & Sciences

Patricia Berlin
College - Conservatory of Music

Ann Banoit
Clermont College

Mary J. Bradley
Reymond Walters College

Robert Burnham
Architecture

Lantham Camblin
College of Education

Richard Drake
College of Medicine

Marvin Garrett
University College

William Heineman
College of Arts & Sciences

Ronald Hustin, Faculty Senate
College of Engineering

Maria Kreppel, Vice Provost

Report to the Managing for the Future Task Force
University of Cincinnati
May 21, 1992

EXECUTIVE SUMMARY

THE PROCESS

Because of reductions to state subsidy and increases in externally mandated costs, the University of Cincinnati has forecast an approximate $40 million dollar deficit in its 1994-95 general funds operating budget. Thus, when the charge was received in October 1991 from Chancellor Hairston to conduct a campus-based study for the Managing for the Future Task Force, President Steger decided to conduct this study within the processes already defined to work on budget reductions. This decision was communicated to Chancellor Hairston in an October 18, 1991 memorandum. Dr. Norman R. Baker, Senior Vice President and Provost for Baccalaureate and Graduate Education, was assigned to coordinate the process.

The process involves a number of standing administrative councils, standing governance committees, and ad hoc task forces. These groups have been at work since June 1991. The charge and membership of each group was presented as Appendices 1-11 of our interim report, submitted April 15, 1992, and will not be repeated in this report.

Standing Councils and Committees

Several administrative councils are an integral part of the University of Cincinnati's organizational structure. These councils are involved in all aspects of the University's planning, policy setting, budgeting, and decision-making process. The councils and their membership, in descending hierarchical order, are:

1. Policy and Planning Council
   Membership: President, 2 Senior Vice Presidents, Executive Director for Planning
2. Academic and Administrative Council
   Membership: 2 Senior Vice Presidents, 5 Vice Presidents, Treasurer, Executive Director for Planning, 5 Deans, 3 Faculty
3. Council of Deans
   Membership: 17 Deans

In addition to the standing administrative councils, there are several standing governance committees. The standing governance committees most involved in the budget reduction process are the Budget and Priorities Committee of the Faculty Senate and the Student Advisory Committee on University Budgets (SACUB). Thus, through these committees, faculty and students are routinely involved in the planning, budgetary, and decision-making processes of the University of Cincinnati. Final decision responsibility rests with the central administration after considerable input through the governance committees.

Ad Hoc Task Forces

Working jointly with the Faculty Senate, the Academic and Administrative Councils defined a number of ad hoc task forces to address the need for managed, focused budget reductions.

The first of these, the Faculty/Administrative Budget Task Force, worked from June to August 1991. Their report was forwarded as an attachment to President Steger's October 18, 1991 letter to Chancellor Hairston. The membership included three academic Vice Presidents, three academic Deans, three faculty from Faculty Senate, and three faculty from the faculty union, the American Association of University Professors. The final report of this task force has formed the baseline for all the effort that follows.

Shortly after receipt of the final report from the Faculty/Administrative Budget Task Force, a two-day retreat of the Council of Deans was held. The purpose of the retreat was to review the final report and propose next steps. The Council of Deans organized the 20 recommendations in the report into 8 themes each of which required extensive review and evaluation. The Council of Deans proposed that a joint administrative/faculty/student task force be created and charged to study each of the 8 themes. This recommendation was accepted and implemented by the Academic and Administrative Councils.

Working collaboratively with Faculty Senate and SACUB, the Academic and Administrative Council constituted the following eight task forces:

- University Faculty Workload Task Force*
- Fund Raising Task Force
- Off-Loading Task Force
- Enrollment Management Task Force
- Administrative and Academic Support Services Task Force*
- Academic Program Evaluation Task Force*
- Continuing Education Incentives Task Force
- Fiscal Policies Review Task Force

Reports have been received from the three task forces whose charge is most directly related to this report (identified by asterisks). It is our intent to have these reports reviewed by the governance committees and the Academic and Administrative Councils. We hoped to complete these reviews prior to the preparation of this report and it was scheduled to meet the May 15, 1992 submission date. Unfortunately, we are running behind schedule, primarily due to the need to take large, unexpected budget reductions, and the reviews have not been completed. Therefore, this report will present the unreviewed recommendations.

Clark State Community College

Springfield, Ohio

Mrs. Jane Scarff, Chairperson
New Carlisle, Ohio

Mr. Lewis J. Bilotta
Cable, Ohio

Mr. Thomas Clark, Manager
Ohio Edison
Springfield, Ohio

Ms. Mary Lee Gecowets, Executive Director
Urbana Area Chamber of Commerce
Urbana, Ohio

Mr. Peter J. Hackett, Partner
Clarke, Shaeffer & Hackett
Springfield, Ohio

Mr. Jack R. Hagen
Springfield, Ohio

Ms. Ellen Hoover
City of Springfield

Mrs. Kelly Kavanaugh
Springfield, Ohio

Ms. Thais Reiff
Xenia, Ohio

Mrs. Priscilla J. Smithers
Clark County Board of Alcohol

Ms. Freda Taylor, Manager
Gillespie Oil Company, Inc.

Mrs. Pamela Young, Principal
Snowhill Elementary School

Mr. Joseph Jackson, Vice President
Clark State Community College

Mr. Albert A. Salerno, President
Clark State Community College

EXECUTIVE SUMMARY

As Ohio moves toward the new century, higher education will be called upon to play an expanded role in providing education and skills to our new workforce. Clark State Community College has spent the last five years preparing itself to serve this new challenge. Our task force found significant evidence which supports the positioning of the college to meet these new challenges.

The Board of Trustees has developed a sound management team and an excellent faculty. Together the faculty, administration, and associates have been working hard to keep the institution moving forward in an era of constrained resources. This team has done a commendable job in both assessing the educational needs of its community and the development of programming to meet those identified community needs.

Clark State Community College has developed a broad-based process to evaluate and implement cost-savings measures. Since 1985 the college has reduced annual expenditures by some $560,000 at the same time they were planning for the successful transition to a state community college. Since becoming a state community college in 1988, the college has experienced an increase in enrollment of approximately 41%. With an increasing enrollment and a decreasing state subsidy, the college has had to implement measures for productivity improvement among its personnel. In 1991-93 the workload for full-time faculty was evaluated and changed to a more equitable base.

Our task force found evidence of measures which will help to sustain quality at the college. Reward structures are available for all classifications of employees; i.e., yearly financial recognition structures, professional development support activities for all classes of employees, sabbatical leave for faculty, etc. The Board of Trustees and college staff define quality measures in much the same way. It appeared evident to our group that everyone at this college understands and supports the several missions of the college.

During the past three years, the college has been able to manage its transition to a state community college. Even with reduced state funding it has still managed to move forward with its original plan to bring increased educational benefits to its citizens. However, our task force is gravely concerned about their ability to continue to sustain quality in the years ahead if the necessary state resources are not made available. Therefore, our formal recommendations focus on state-wide issues (which have direct affect on the delivery of services at Clark State) as well as suggestions for continued improvement at the college.

Columbus State Community College

Columbus, Ohio

Timothy R. Stonecipher, Esq.
Nichols, Stonecipher & Flax
London, Ohio

Dr. Harold M. Nestor, President
Columbus State Community College
Columbus, Ohio

Ms. Peggy Calestro
Executive Assistant to the President
Columbus State Community College
Columbus, Ohio

Napoleon A. Bell, Esq.
Bell, White, Ross, Lewis & Culbreath
Columbus, Ohio

Ms. Frankie L. Coleman
Executive Director
The Private Industry Council of Columbus & Franklin County Inc.
Columbus, Ohio

Ms. Sue Doody, Owner
Lindey's Restaurant
Columbus, Ohio

Mr. Dan S. Morris, Group Mgr.
Nationwide Communications, Inc.
Columbus, Ohio

Mr. John Schell, President
Capital Services, Inc.
Columbus, Ohio

Mr. Wayne Cocchi
Columbus State Community College
Columbus, Ohio

Dr. Marvin G. Gutter
Vice President for Student Svs.
Columbus State Community College
Columbus, Ohio

Dr. Michael J. Leymaster
Vice President for Student Svs.
Columbus State Community College
Columbus, Ohio

Dr. Joyce A. McCabe
Director of Research & Planning
Columbus State Community College
Columbus, Ohio

Dr. Shirley A. Palumbo
Vice President for Academic Affairs
Columbus State Community College
Columbus, Ohio

Ms. Jeanne Patton
Asst. to the President
Columbus State Community College
Columbus, Ohio

Mr. Garfield Jackson
Columbus State Community College
Columbus, Ohio

2. *A brief description of the findings and recommendations of the institutional management review.*

Summary: Columbus State Community College is an institution which understands its customers (students and employers) and provides them with a quality product (education). Sustained and predictable state funding is required for the college's continued growth, financial well-being, and ability to respond to the needs of its students and the community. The committee is particularly concerned that Columbus State's excellent management record could be used as an excuse for further funding reductions, which would seriously imperil the institution.

The overriding conclusion of the Managing for the Future Institutional Committee is that Columbus State is a well-managed institution, which understands its mission and constituency and has succeeded in maintaining the highest quality at the lowest possible cost.

Columbus State has experienced a dramatic growth in enrollment over the past five years: 96%. At the same time, the college has held its costs to a minimum and, in fact, has reduced by $646 the cost per full-time equivalent (FTE) student over the past three years. The college's annual per-student FTE cost is currently $1,461 below the state-wide average for two-year technical and community colleges and $3,661 below the current cost per-student FTE for all colleges in Ohio.

The college constantly monitors its fiscal status with:

- Daily records of student enrollment, inquiries, and applications.
- On-line reports of college revenues and department expenditures.
- Six-month (rather than annual) budgets.
- An annual Financial Self-Assessment, which includes strategies and risks.

Columbus State considers itself a business and uses terminology and management strategies from the corporate sector. The college believes a successful business understands its customers and focuses its operation on providing a quality product to those customers while maximizing efficiency.

Columbus State considers its students, their prospective employers, and the community at large as its customers. To ensure the college's awareness of its constituency, Columbus State:

- Conducts regular studies of whom it serves and how well they are served. A variety of objective data are generated from over 35 reports and self-studies each year.
- Demonstrates its commitment to students by providing access to anyone who can benefit from a college education.
- Enables traditionally underserved students to obtain a college education by keeping tuition and fees affordable (the lowest in the region).
- Removes opportunities for failure by keeping class sizes and student/faculty ratios at optimum levels for learning.
- Ensures that students understand the education they will receive by defining course and program outcomes for every academic area and measuring those outcomes by standardized tests, locally developed assessment instruments, and student and employer evaluations.

Local employers are involved in developing and monitoring academic programs and are regularly polled about on-the-job performance of Columbus State's graduates. Dozens of partnerships and collaborative programs between Columbus State and other companies, agencies, colleges, and universities operate each year.

Columbus State understands the importance of maintaining a skilled and dedicated work force to serve the college's customers. The primary mission of faculty is teaching, and they are evaluated regularly on their performance in the classroom; in fact, regardless of tenure status or length of service with the college, faculty members never reach a point where they are not evaluated. Moreover, each academic unit is reviewed annually on seventeen objective criteria. Units which perform poorly for over two consecutive years are placed on probation for possible phasing out over the following two years.

The college both expects and rewards quality from its employees and has created a work environment characterized by high morale and esprit de corps. By maintaining competitive levels of compensation, annual adjustments, benefits, professional development

(Question 2 continued)

opportunities, and a series of awards and recognitions, the college enjoys a very low, college-wide, annual turnover rate of 4.6%.[3]

The "unit president" concept is an important strategy endorsed by the American Management Association and one used by Columbus State. Each of the college's 54 unit presidents (cost center managers) helps to develop the college budget and is informed of and responsible for all unit expenditures.

Columbus State has created a campus environment which is conducive to quality education. It is healthy, safe, and secure, with state-of-the-art equipment and laboratories in facilities that are clean and in good repair.

Despite excellent records of enrollment growth, sound management, and a constant search to improve quality in every area of college operations, Columbus State is now threatened by continuing decreases in state funding. The college is both unwilling and legally unable to raise tuition beyond a 7% increase to augment revenues.

Committee members have also identified a potential political problem with this report: Columbus State has continued to manage well during significant enrollment increases and despite decreasing state funding.

- Will this good management work against the college?[4]
- Will policy-makers observe that the college has been able to respond to cuts without compromising its educational excellence and conclude that Columbus State should be able to accommodate additional cuts as well?

Columbus State is not alone in receiving less money from the state every year. What makes Columbus State unique, however, has been the college's ability to increase services to

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[3] A recent study measured the annual turnover rate for full-time, permanent, white-collar employees in the executive branch of the federal government at 9%. (Public Administration Review, March/April 1991, Vol. 51, No. 2, p. 146.) "... Roughly twenty-five percent of all new government hires leave within the first year." (The Washington Post, September 12, 1989.) "[Federal] health-care workers ... had a nineteen percent turnover rate ... and sixteen percent of all clerical and support staff left during the year ... the Government's record was comparable to that of the private sector, where turnover was 12% in 1987, according to the Bureau of National Affairs." (The New York Times National, September 11, 1989.)

[4] The committee's concern that a great injustice could occur as a result of Columbus State's efficiency of operation is not without precedent. Several years ago, for example, there were no state funds available to purchase classroom computers. Because it believed such equipment was important for its students, Columbus State used money from its operating budget to purchase these computers. When state funds were finally made available for computers, Columbus State was, in effect, [illegible]

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(Question 2 continued)

its community while, at the same time, reducing its student FTE expenditures. Although the college has experienced significant growth in enrollment, this growth is now funded by the state at an approximate rate of $0.60 on each dollar earned by formula. Clearly, the college has already "adjusted" to funding cuts. The question remains, "How much more can it adjust down?"

This delicate balance--between showcasing what the college does well and, at the same time, sounding the alarm that further decreases in state funding will seriously compromise Columbus State's ability to continue to serve students well--has been a source of much discussion.

Rather than attempt to resolve this debate, the Managing for the Future Institutional Committee has decided to report the concern: that an excellent two-year institution is in danger of having to limit access and compromise opportunities for student success. Ironically, the sound management that brought Columbus State to this position of prominence and excellence may be the very argument used against sustaining funding levels in the coming months.

Cleveland State University

Cleveland, Ohio

Mr. Monte Ahuja
Chairman, President, & Chief Executive Officer
Transtar Industries, Inc.
Walton Hills, Ohio

Dr. Arden L. Bement, Jr.
Vice President, Science & Technology
TRW, Inc.
Lyndhurst, Ohio

Mr. Kenneth J. Semelsberger
President & Chief Operating Officer
Scott Fetzer Company
Westlake, Ohio

Dr. J. Taylor Sims
Provost & Senior Vice President
Cleveland State University
Cleveland, Ohio

Dr. David C. Sweet
Vice Provost for Capital Planning &
Dean, Maxine Levin College of Urban Affairs
Cleveland State University
Cleveland, Ohio

Dr. Stuart M. Klein
Professor of Management & Labor &
President, The Faculty Senate
Cleveland State University
Cleveland, Ohio

Mr. Dennis P. Anderson
Vice President for Business
Cleveland State University
Cleveland, Ohio

Executive Summary of Reccommendations

The major contribution of the CSU Task Force was to recommend a streamlined organizational process which would not only save the university a substantial sum of money, but would allow for a more effective and efficient reporting process among various levels of administration, faculty, staff and students. The recommendations for budget savings from all aspects of the study are summarized below, followed by summary recommendations for each study area:

1. Mission Statement	$0
2. Faculty Instruction Process	
Departmental Review	$2,317,629
College of Arts and Sciences	$1,000,000
College of Engineering	$515,420
Faculty Workload Increase	$1,000,000
3. Departmental Restructuring from Reorganization	$1,319,000
4. Physical Plant Restructure	$2,686,000
Total	$8,838,049

University Mission

1. The Task Force recommends that CSU focus a substantial part of its intellectual force and resources on understanding and developing means to deal with the fundamental needs of the greater Cleveland area.

2. The clinical or medical school model, which blends teaching, research and service in a highly interactive mode, is seen by the Task Force to be a good example of the structure that should be adopted by CSU as its urban university model. The academic and support programs should first ask, "How can our

programs be delivered in a way that can match one or more needs of the community?"

3. Since CSU falls within the category of universities in the state which offer some but not an extensive number of graduate programs the Task Force recommends that its emphasis be toward a more balanced role between teaching, research and service with considerable emphasis on undergraduate education.

4. The conclusion of the Task Force is that the University Mission Statement must be clearly defined to support the centrality of its urban mission with a clear focus on key colleges: Arts and Sciences, Business, Education, Engineering, Law and Urban Affairs.

Faculty/Instructional Process

5. The Task Force strongly endorses the program review process outlined in the University's Strategic Plan and urges the faculty, staff and administration to follow through with this process to its initial completion and continuance. The program review process will determine when funds need to be spent, where they are likely to come from and where they should be allocated. The review should be continuous and should include both academic and non-academic units.

6. The Task Force recommends that the Total Quality Management (TQM) approach be considered as a process to move the quality of CSU programs to excellence.

7. The Task Force agrees that the evaluative force of the University's Program Review Criteria (Centrality, Quality, Demand, Comparative Advantage and Cost) coupled with TQM can yield specific indices for efficient resource allocation.

8. The Task Force recommends that the free standing academic centers and programs in the University be reviewed in terms of self-support capabilities. Budget reductions or elimination should be considered for those centers

currently on state funding which are not at least breaking even with respect to income and expenses.

9. Because of its size, diversity in instructional areas, and difficulty of management, the Task Force recommends that the College of Arts and Sciences be restructured into at least two separate colleges. Within this recommendation the Task Force suggests dividing the current Dean's office budget between the two new colleges when formed.

10. It is recommended that consideration be given to closing the advising division of the College of Arts and Sciences and returning this function to the faculty.

11. It is recommended that consideration be given to closing the computer center in the College of Arts and Sciences and merging its equipment into the University Computer Center for greater control and centralization of services.

12. The Task Force recommends that the College of Engineering eliminate the Division of Engineering Technology . This program more clearly belongs in a two-year technical college program.

13. The Task Force recommends that the average teaching load be raised to 2.75 sections per department with an overall efficiency/productivity increase of 25%. Such efficiency could result in approximately $1 million of savings in part-time teaching funding.

14. The Task Force recommends a balanced approach for faculty evaluation with the true inclusion of teaching and service. Within this recommendation the Task Force supports a multi-faceted teaching evaluation system as an inducement for improved teaching and its inclusion in the evaluation process.

15. The Task Force recommends that the University administration provide the resources for faculty to develop and maintain skills in the most current teaching technology, especially computerized instruction.

16. The Task Force recommends a promotion, tenure and salary review process that is tied more to performance than across the board evaluations. A modified

"Management by Objective (MBO)" process is recommended for evaluation guideline development.

17. The Task Force is in agreement with University guidelines which state that members of the faculty should not teach more than twelve credit hours per week. Assignment of research activities should result in some downward adjustment of load, but IT SHOULD NOT BE EXPECTED THAT EACH FACULTY MEMBER WILL TEACH THE SAME LOAD.

18. The Task Force recommends that the concept of "term tenure" be explored as a stepping stone toward permanent tenure for a more limited number of permanent faculty.

19. If it is economically feasible early retirement options should be explored to effect faculty turnover among senior faculty with long years of service. The opportunity to reduce the overall work force through an appropriate PERS-STRS retirement process should not be overlooked.

Organizational/Administrative Functions and Evaluations

20. The Task Force recommends that an immediate restructuring process be undertaken among administrative departments that will result in the consolidation and/or elimination of duplicative positions as well as the enhancement of function and efficiency.

21. The functional Chart of Organization shown as Figure 2 in Appendix A is recommended to replace the current organizational configuration which reflects several major inefficiencies. It creates four senior vice presidents and presents a more streamlined organization built upon participative management with no more than seven departments reporting through any one administrator.

22. The Task Force commends the University administration for previous actions taken to improve productivity and efficiency prior to this study. The list includes such results as a more efficient summer school funding program, elimination of university publication, computer controlled energy systems,

pooled maintenance of computers and purchasing, and a proposal for a consortium for savings and health care and other benefit costs.

Physical Plant and Facility Management

23. The Task Force finds that the facilities management program has inherent organizational and planning weaknesses. Overall reorganization and revamping is recommended. Strategic planning is urgently needed for efficient departmental space allocation, classroom space management, examination of duplicate facilities, overall adequacy of facilities, and to correct a general lack of control in space allocation. The overall utilization of faculty office space is a specific concern.

24. The Task Force recommends that the physical plant and operations departments be reorganized to centralize management functions.

25. The Task Force recommends that the University subcontract as many operations functions as deemed practical, including custodial, maintenance, motor pool, groundskeeping and building repairs.

Cuyahoga Community College
Cleveland, Ohio

Mr. Richard Acton
(CCC Board of Trustees)
Executive Secretary
Cleveland Federation of Labor

Mr. John D. Chiappetta
(CCC Board of Trustees)
President
Euclid & Wickliffe Services, Inc.

Ms. Margot Copeland, Director
Leadership Cleveland

Mr. Keith Curtis, Director
Eaton Corporation

Mr. James Gulick, Executive Director
Cleveland Commission on Higher Education

Ms. Jeri Jackson (CCC Student Trustee)
Cuyahoga Community college

Mr. Peter Lawson Jones, Attorney
Weiner & Suit

Ms. Janis Purdy, Executive Director
The Citizens League

Mr. Richard Shatten, Executive Director
Cleveland Tomorrow

Dr. Carol K. Willen
Program Officer for Higher Education
The Cleveland Foundation

Dr. Frank William Reis
Executive Vice President
Human Resources & Administration
Task Force Chair

QUALITY AND COST AT CUYAHOGA COMMUNITY COLLEGE

The Final Report of the CCC Managing for the Future Task Force

EXECUTIVE SUMMARY

In July, 1991, the Ohio Board of Regents (OBOR) urged all state supported two- and four-year educational institutions to establish a Task Force that would guide an internal review of the forces that influence the cost at a College, identify cost containment strategies, and report findings and recommendations to the statewide "Managing the Future Task Force." Cuyahoga Community College's "Managing for the Future Task Force" reviewed the College's operations from December, 1991 to May, 1992. The Task Force was made up of fifteen (15) individuals--nine corporate and public sector executives, three of the College's trustees, the College's President and its two Executive Vice Presidents.

The Task Force was guided by the suggested questions provided by the OBOR for use by the Statewide Managing for the Future Task Force. Because the questions appeared geared primarily to the mission of four-year institutions, each question was adapted to be most applicable to a community college. To address the questions, the Cuyahoga Community College Task Force received orientation to the College's long-range financial plan, its "Action Agenda for the 1990s," and resource allocation and quality control processes. Initiatives which have resulted in cost efficiencies and effectiveness, continuing challenges and obstacles to achieving quality and comparative institutional data were also presented. The final report represents the distilled opinion of the Task Force in addressing its charge.

FINDINGS

During its deliberations, the Task Force made a number of observations. They pertain to the College's priorities; its planning systems to achieve these priorities; systems to improve organizational efficiencies and effectiveness and processes which have already been accomplished to improve the College's efficiencies and effectiveness. Based on its detailed review, and observations concerning key areas of the College's operations, it is clear that the College has taken significant steps to be prudent in its management of public resources while maintaining a strong sense of commitment to providing high quality education and training services to the community which it serves.

The Task Force also believes that Cuyahoga Community College can contract the scope and management of its services without losing its quest for excellence. If the choices facing the College leadership are well made, based on carefully developed criteria and plans, excellence and quality need not suffer. To attain this goal, the College will need to take specific steps to address targeted courses of action in the immediate years ahead. Board leadership and the recommendations contained in this report provide guidance to these action steps.

RECOMMENDATIONS

Based on the data, information and analyses completed over the five month period, the Cuyahoga Community College Managing for the Future Task Force offers seven recommendations for the College's and Regents' consideration in planning for the future. The Task Force recommends that:

- *Given this era of finite resources, an aggressive FY 1993 review of academic and administrative staffing patterns be conducted, leading to a 10% reduction in non-instructional staffing.*
- *The College seek the highest attainable level of faculty productivity--increasing this by 10% in each of the next three years, through an emphasis on teaching and learning.*
- *Program evaluation be implemented immediately to assess and eliminate institutional duplication of academic programs, administrative and institutional support functions, and excessive costs.*

- *Consistency and uniformity in all appropriate areas across the College, (e.g., student service and business operations) be assessed, and unnecessary duplication be eliminated.*

- *A student service focus be implemented utilizing Total Quality Management (TQM) techn[illegible]ue. that will provide a program of continuing improvement from the counseling office to th classroom. Through evaluation, programs which only minimally contribute to studen development will be eliminated.*

- *Cost savings and synergistic collaboratives be developed between and among regiona educational institutions (e.g., Campus One, Tech Prep) and other inter-institutional cooperative ventures.*

These recommendations will call for state support through:

- *incentives for collaboration,*

- *improvements in the quality of statewide data available for assessing institutional effectiveness and efficiency, and*

- *greater equity in funding between two-and four-year colleges.*

The Cuyahoga Community College Managing for the Future Task Force believes that the College's implementation of its mission, and its effectiveness in serving the citizens of the Northeast Ohio region will be greatly enhanced if necessary steps are taken. The results will be an institution of high quality th[illegible]n continue to meet the challenges of the next century on an even more stable and predictable foundati[illegible]

Edison State Community College

Piqua, Ohio

Committee Members Included:

John Arnold , President
Fifth Third Bank of Miami Valley

Mike Engle
Physics Department, Edison

Albert Greenaway
President, Whiteford Foods

Joseph P. Martino
Senior Research Scientist
University of Dayton
Edison Trustees

Sally McCool
Enrollment Services, Edison

John Mirabito, President
Wilson Memorial Hospital

Dennis Myers
Microcomputer Applications Department, Edison

Facilitators Included:

Michael Burns
Dean of Administrative Services, Edison

Sharon Coady
Dean of Academic & Student Affairs, Edison

Executive Summary

A. Significant Findings

Edison focuses on learning.

Edison's business is learning. All initiatives are assessed against that mission and faculty workload is assigned accordingly. All faculty by contract teach 15 instructional units, equalling four or five courses, each quarter.

Edison is clear in its mission.

Edison serves Darke, Miami and Shelby counties. It exists to provide general education, to parallel the first two years of a university, to prepare students for immediate career entry, to assist the three-county area in economic development through education and training and to provide for lifelong learning.

Edison monitors its costs.

The average cost per student credit in 1991-92 was $96, including all indirect costs.

The average faculty salary is $31,899. Of the 41 full-time faculty currently employed, 6 have doctorates, 31 have master's degrees, 2o are completing master's degrees and two have bachelor's degrees.

Edison is addressing the major concerns of employers.

Both local and national studies indicate that employers want students educated for the modern workplace. To that end, Edison's faculty has committed to teaching the following core values in every class:

Communication skills
Ethics
Critical thinking
Cultural diversity
Inquiry/Respect for learning
Interpersonal skills/Teamwork

While far from fully implemented, these core values are being systematically addressed in every discipline.

Edison initiated the first steps in Total Quality Management 18 months ago and is continuing that initiative.

Customer service training has been intensive and continuing for all staff except faculty. Process monitoring training has just begun.

Edison is accomplishing its objectives with one of the state's lowest subsidy rates.

The following chart provides a very rough picture of state funding levels since it does not distinguish between graduate and undergraduate or between liberal arts and technical programs. It does, however, give a general overview of how much one full-time equivalent student costs the state at neighboring and other selected institutions.

	FTE	Subsidy	Subsidy Per FTE
Ohio State University	46,988	256,920,352	5,468
University of Cincinnati	23,488	127,967,719	5,448
Wright State	11,838	54,473,753	4,602
Bowling Green	16,591	61,118,614	3,684
Lima	1,138	3,977,681	3,495
Cincinnati Tech	2,513	8,594,913	3,420
Miami	15,758	50,426,042	3,200
Clark	1,489	4,708,027	3,162
Lake Campus, Wright State	537	1,653,715	3,080
Lorain Community College	3,557	10,517,121	2,957
Southern State	899	2,584,029	2,874
Cuyahoga	11,873	33,444,284	2,817
Sinclair	7,501	20,636,196	2,751
Lakeland Community College	3,919	9,972,725	2,545
Columbus State	6,754	16,174,247	2,395
Edison	1,374	3,257,305	2,371
Lima Campus, OSU	1,131	2,564,328	2,267
Rio Grande	1,260	2,762,040	2,192

Edison has accommodated student and faculty growth while containing expansion of non-teaching personnel.

	Students	Faculty	Non-Teaching Personnel
1988	7,820	37	66.75
1991	10,215	41	67
Increase	31%	11%	0.004%

B. Significant Recommendations

The following recommendations from Edison's Task Force have the greatest potential for effecting significant cost reductions, revenue increases and improved quality:

Stress intramural athletics and lifelong physical fitness and consider dropping competitive athletic teams.

Streamline forms and administrative procedures to eliminate duplication for students, faculty and staff.

Eliminate or revise low demand programs.

Market Edison's emphasis on general education and core values.

Capitalize on strengths in Total Quality Management by developing a curriculum for the Nineties -- the core values, TQM, foreign languages, environmental issues, community structure and needs.

Form a partnership with local businesses to study state-of-the-art technology and its potential in the local area.

Make more services user-financed and structure fees to reflect the costs of services used.

Increase professors' productivity by providing more clerical support, test graders, classroom proctors and supplements such as videos, computers, etc.

Examine ways in which entire classes can be taught in supplemental modes such computer-based instruction.

1. Review Process

Edison's Managing for the Future committee consisted of one trustee, three business representatives from the College's service area, two faculty members and one staff member.

Two deans prepared material in response to state guidelines and to committee requests. The material was presented to the committee for discussion. Committee members individually formulated commendations and recommendations which were compiled by the deans and submitted to the group. The committee then discussed and agreed upon its final report.

The faculty and staff representatives have been asked to share their experiences with their colleagues.

Committee members included:

John Arnold	President, Fifth Third Bank of Miami Valley
Mike Engle	Physics Department, Edison
Albert Greenaway	President, Whiteford Foods
Joseph P. Martino	Senior Research Scientist, University of Dayton Edison Trustee
Sally McCool	Enrollment Services, Edison
John Mirabito	President, Wilson Memorial Hospital
Dennis Myers	Microcomputer Applications Department, Edison

Facilitators included:

Michael Burns	Dean of Administrative Services, Edison
Sharon Coady	Dean of Academic and Student Affairs, Edison

*Hocking Technical College**
Nelsonville, Ohio

**No report received at this time*

Jefferson Technical College
Steubenville, Ohio

Mr. Frank S. Dimit, Chairman
Retired Superintendent of Maintenance & Utilities, Weirton Steel Corporation
Past Chairman & Board Member
Jefferson Technical College, Board of Trustees

Mr. Scott Campbell
Member of Jefferson Technical College Alumni Board, Manager
Cove Valley TruValue Lumber & Home Center

Mr. Louis Musso
Ohio Valley Hospital

Mr. John Beck
Executive Director, BHJ Metropolitan Planning Commission

Mrs. Denny Palmer
Teacher, Garfield Elementary School

Mr. Thomas Wilson
Attorney, Highland Park Estates

Mr. Lou Simpson
District 23, United Steelworkers of America

Executive Summary

A number of issues must be kept in view as the process of evaluating Jeff Tech and other two-year institutions takes shape for the final Managing for the Future's report.

Two key responsibilities for the two-year colleges in the 1990s are: First is to serve as a "portal" of entry to the higher education system for those who heretofore had not aspired to obtain further education and training and at the same time improve the retention of those people taking advantage of the opportunities. Second, the colleges are to continue their involvement and promotion of additional activity with Ohio industries to build the nation's best workforce training and retraining capacity. It is against this backdrop that Jefferson Technical College pursues its institutional goals.

The mission and goals of Jefferson Technical College are obviously different than the goals and objectives of the universities such as Kent, Ohio State University or Miami. Each type of institution whether it be a technical/community college or university serves to respond to the needs of various types of people in its service area. Jeff Tech, by definition as a technical college, awards associate of science and applied business degrees and one-year certificates. The orientation of the institution's faculty is teaching, advising and human development.

The orientation of the applied science and business programs is "hands-on." The college carefully blends course content and theory with lab applications so that graduates and certificate completers can participate in the design, testing and implementation of technology. The technician serves in a capacity which is clearly not craftsperson but not engineer or physician.

The difference between technical education and baccalaureate education can be defined by the orientation; hands-on versus more theory; and the extent of English, social science, humanities, natural science required of people seeking a baccalaureate degree.

Perhaps the most significant difference has to do with the level of preparation that many students enrolling at the two-year campuses possess when compared to the applicants at universities. There are some major public policy issues that must be resolved regarding serving all the people of Ohio Many students enrolling at two-year colleges today are not traditionally college age Further, they are no longer in shape to read at the college-level or use college-level mathematics and English The net result is the college must expend a great deal of time, energy, personnel, physical and financial resources to help these people raise their level of mastery to a point where they can do college-level work. In addition, there are many traditionally aged student 18-22 who are not prepared to read, write or compute at the college level.

To date, the state has not taken the position of adequately financing the services needed to help two-year college students raise their basic skill levels to the point where they are adequately prepared to do college-level work. The state has not yet realized that the technological revolution which drives the state's economy requires more better educated people to perform jobs formerly done by less educated citizens.

Finally, it would appear the state must access its current system of two-year education. Currently, there exist community colleges (two-year comprehensive with local tax support), state community colleges (no local tax support), free standing technical colleges, university branches and community technical colleges operated by universities in metropolitan areas. In addition, an issue which further complicates the "system" is the matter of eight technical colleges being located with university branches. The sum total of two-year educational units is 59.

At some point consideration should be given to eliminating the duplication of adult education services between the joint vocational school and the technical college. This is an issue the state must ultimately determine, but currently there is a duplication between the college's and JVS offerings in the evening program.

In addressing the Managing for the Futures issues, Jefferson Technical College believes that circumstances caused the college Board of Trustees, administration, faculty and staff to examine operational efficiency and effectiveness

Enrollment declines in the mid-1980s caused the "ratcheting down" mechanism within the Ohio Board of Regents subsidy system to be initiated Added to the reduction in base FTEs was the elimination of practical nursing students who were inadvertently included in the college's base calculations. Currently, with the state reductions in subsidy, the college actually received 1.5% less subsidy in 1992 than it did in 1988. At the same time, college enrollment has increased by 29.6%.

Another money issue is the whole capital improvements process including the allocation of funding for technical equipment. It appears as though there is a philosophy at the Regents at this time that because the college campuses **appear** to be so well equipped, there is no real reason for the institutions to continue to receive a certain level of funding in that area. What the Regents and the public must understand is that there is a continuing need for new equipment if the college is going to stay on the cutting edge of technology and provide the students with the essential experiences they will need to be competitive in the workforce.

By instituting cost-saving actions and increasing tuition to the present level of $30 per quarter credit hour (the second lowest rate among all two-year colleges in the state), the college has managed to maintain four centers of service to the community: (1) credit-level education leading to degrees and certificates; (2) training for business and industry; (3) opportunities for growth through remedial and developmental education and avocational programming; and (4) offering use of facilities free of charge to non-profit community groups.

While the college believes it can always improve efficiency and effectiveness in operations, clearly the events and circumstances of the past five years required the Board of Trustees, administration, faculty and staff to begin employing efficient and effective measure to manage the college. The Managing for the Future's Task Force at Jeff Tech acknowledges the college's efforts as well as its intent to continue building efficiencies while maintaining overall effectiveness.

Jefferson Technical College's Managing for the Future's Task Force report was developed along divisional lines of instructional services, student services, business services and administrative services. Some of the key recommendations/observations follow while the entirely of their reports are located after the executive overview.

The key recommendations from the instructional services division are:

(1) The legislature must understand the two-year college concept thoroughly, being able to differentiate between university education and K through 12. This issue is very important as the two-year institutions respond to remedial/developmental needs of its patrons.

(2) The Ohio Board of Regents must identify staff who have experience and knowledge working in and for two-year institutions and who can work with the institutions as they pursue meeting their goals and objectives

(3) The Collective Bargaining Law and the operation of the State Employees Relations Board should be evaluated to determine whether the law and the board have achieved and maintained the balance between labors demands and wants and the institutions ability to respond to employees while continuing to respond to the demands for services within the fiscal restraints. Tax supported institutions chartered by the state to serve the public interest should not be subjected to the same labor laws and practices which exist in profit-oriented production industries.

(4) The Instructional Services Committee endorses the OTCCA Subsidy Proposal submitt on April 16 by the association to the chancellor. This proposal identifies a number of needed changes, including: (a) calling for the simplification of the funding formulas; (b) resolving inequities in instructional support among levels; (c) changing the connection between state funding and student tuition; and (d) refining the funding factors to reflect the current services realities.

The Student Services Division made several recommendations, including:

(1) The college must communicate more often with greater clarity regarding its affirmative action policy and plan.

(2) The college staff and faculty must make greater effort to expand visibility in the community.

(3) The college staff should employ a more assertive approach to recruiting credit level students from the ranks of people attending non-credit continuing education courses.

(4) The health technologies programs admissions process should be communicated to the public to help them understand the prospects/opportunities available, the enrollment caps (based on clinical sites) and the level of performance required of graduates to pass licensing exams.

The Business Services Subcommittee's recommendations, which provide significant information and data to support the achieved efficient/effective operation of the college as well as identify opportunities for improvement, include:

(1) Between FY89 and FY92, the college was able to reduce the percentage the salary/benefits represent to the total budget from 77.93% to 75.58%.

(2) The college has attempted to follow the OBR 60/40 guidelines from the two-year operating manual where possible providing for 60% of the instruction in a program to be offered by full-time faculty and 40% to be done by part-time faculty. Accrediting agency requirements vary, but can dictate the number of full-time faculty required for a program and the maximum number of students who can enroll.

(3) During the 1989-92 period, the college averaged paying $49,885 for legal fees associated with the cost of collective bargaining. For the years 1989 and 1992, when bargaining actually occurred, the rate was $54,624. In the non-bargaining years of 1990 and 1991, the cost was $45,147. In addition, the costs do not reflect the cost of time spent by staff members processing grievances, unfair labor charges and law suits.

(4) Full-time staffing has been assessed continuously over the past few years. In 1989, the college administration decided that as full-time employees left the college, replacement would be determined on a case-by-case basis. In 1989, the college employed 99 full-time employees. In 1992 that number had been reduced to 93. This reduction was accomplished as enrollment grew from 973 FTEs to 1,214 FTEs. The college has employed more part-time employees and increased productivity through the more extensive use of computers.

The Administrative Services Subcommittee's recommendations include:

(1) Establish a labor/management team to address various college problems/concerns and to make recommendations for the future.

(2) Develop some measure of productivity that can be compared to some national norm.

(3) Review the cost of processing payroll out-house vs. in-house.

(4) Emphasize the high cost of the collective bargaining process.

Kent State University

Kent, Ohio

Theodore V. Boyd
University Trustee
Radio Station WHBC

Robert R. Broadbent
University Trustee

Dr. Carol A. Cartwright
President
Kent State University

Vincent A. Chiarucci
President & Chief Operating
Officer
Figgie International

Donald Clark, Circulation Mgr.
Akron Beacon Journal

R. Douglas Cowan, President
Davey Tree Expert Company

Barbara Hiney, Owner
The Bookhound

Mrs. Ann H. Izant, Chair
Trumbull Savings & Loan

Larry Kelley, Vice President
Business & Finance
Kent State University

Charles B. Scheuer, Chair
V.P., Human Resources &
Corporate Service Group
Diebold

REPORT
OF THE KENT STATE UNIVERSITY
MANAGING FOR THE FUTURE
TASK FORCE

MAY 1992

EXECUTIVE SUMMARY

REPORT OF THE KENT STATE UNIVERSITY MANAGING FOR THE FUTURE TASK FORCE

Background

Kent State University's Managing for the Future Task Force embraced the opportunity provided by the Ohio Board of Regents to contribute to an examination of the forces that influence higher education costs and an accompanying exploration of cost-containment strategies. Upon receiving the charge to form an institutional task force, the newly formed administration of President Carol A. Cartwright had already begun an exhaustive re-evaluation of the University's structure and resources, an initiative which became more pressing as the fiscal dilemma facing the state unfolded.

Eight leading members of the northeast Ohio business and civic communities, including two current members of the board served with President Cartwright and Vice President for Business and Finance Lawrence R. Kelley on Kent's Managing for the Future Task Force. Members conducted site visits to a variety of campus operations and received extensive background information about the structure and functioning of the eight-campus Kent State University system, with particular emphasis on the budget and Ohio's policies for funding higher education.

Task Force Cites Initiatives as Potential National Models

Kent's Managing for the Future Task Force deemed the University's efforts in two areas as holding particular promise for use at the state and national levels, and as Kent's most important contributions to the statewide Managing for the Future effort: (1) A highly sophisticated Energy Management System that uses state-of-the-art computer technology to control heating, ventilating, and air conditioning in campus buildings, resulting in savings in excess of $3.5 million. (2) A "department-centered" approach to evaluating faculty contributions. Results of the pilot Faculty Productivity study indicate that this approach yields a far more accurate portrait of faculty life than the traditional method, which uses the individual faculty member as the unit of analysis.

Energy Management System: Computerized Conservation Works

Kent's Energy Management System, a Johnson 85/40 Control system overseeing approximately 3,800 control points in thirty-nine buildings, works via a sophisticated network of sensors in operation twenty-four hours a day, seven days a week. In addition to controlling HVAC, the computer system monitors critical building functions, providing the earliest possible alert to fires, floods, and technical problems that could, if undetected, cause significant damage to facilities and disruption of services.

As of the end of fiscal year 1990-91, the Office of Facilities Planning and Operations reported that the EMS and other energy-related measures set in motion since the mid-seventies have resulted in a 28 percent reduction in energy use on campus. Conservatively, this translates to a savings of $3.5 million in energy costs. Given the increase in students, faculty and staff since then, as well as a dramatic increase in the use of computers, copiers, and other technology, the task force recognized this as a remarkable accomplishment that warrants consideration as a model for institutions in Ohio and nationwide.

New Approach to Assessing Faculty Contributions is Indicated

In view of the fact that personnel costs comprise more than three-quarters of all higher education expenditures (from the Report of the Study Committee on Faculty Workload for the Managing for the Future Task Force), Kent's task force was adamant that a re-evaluation of human resources was equally, if not more, important than its examination of physical resources and operations. Thus, a Kent State University Faculty Productivity Report was endorsed. The study tested a new means of assessing the many and varied contributions of faculty members by using the academic department as the unit of analysis and by incorporating the broadened definition of scholarship advocated by Dr. Ernest Boyer in "Scholarship Reconsidered: Priorities of the Professoriate."

While the University as a whole pursues a stated mission, individual departments, schools, and, in Kent's case, Regional Campuses, contribute to that mission in a variety of ways. Blending and balancing the special talents of individual faculty members in pursuit of the University's mission is carried out at the departmental level. This is the most efficient way of ensuring that all responsibilities to students are met, all accreditation mandates are fulfilled, and that the differing demands of courses -- from small graduate labs to large undergraduate lectures -- are also taken into account.

The study included the development of a prototype Faculty Productivity Work Sheet for use at Kent and a pilot study of the approach. Preliminary results indicate that the department is, in fact, an effective and valid unit of analysis, one which helps convey the complexity and diversity of faculty activities.

The pilot study focused on six units whose individual missions vary greatly: the School of Art, the Department of English, the School of Nursing, the Department of Physics, the Department of Psychology, and the Salem Regional Campus.

Data generated by Kent's faculty productivity study indicate that:

- Consistent with well-documented state and national normative data, faculty members, regardless of rank, devote more than half of their professional time to instruction-related activities, with percentages varying as a clear function of departmental mission.

- Contrary to perceptions that most college and university faculty members hold research, publication, and individual interests above student instruction, Kent faculty, on average, devoted less than one-third of their professional time to research and other activities classified under the broad category of "scholarship." As expected, differences in research activity among units varied according to departmental mission.

Kent remains committed to refining and further testing the promising format introduced in this new approach to documenting faculty contributions.

Revenue Enhancement Must Accompany Cost Cutting

Results of the task force's six-month institutional review support the value of ongoing assessment of the effectiveness and efficiency of all University resources. The Task Force endorsed a continuation of efforts to educate the campus community about the efficient use of resources.

While the task force was impressed by the scope of recent cost-cutting measures, members felt strongly that revenue enhancement efforts must be pursued with equal vigor. The development of a stable source(s) of revenue was viewed as essential for the long-term viability of academic programs and services. In short: Universities such as Kent are working diligently and creatively to streamline operations and contain costs. However, Kent and its counterparts in Ohio and nationwide are rapidly approaching a cost-cutting threshold beyond which the quality of education will be compromised.

At the heart of this dilemma is a fundamental public policy issue that must be resolved at the state-government level, according to Task Force members. While Ohio's higher education budget shrinks, public colleges and universities are expected to accept all qualified students and provide them with high-quality instruction and services -- without a corresponding mandate to increase students' share of the cost. Kent's task force members were in strong accord that, if unaltered, this situation will result in significant erosion of the public higher education system, and will impede Ohio's ability to compete regionally, nationally, and globally for years to come.

Because the state's ability to assume a greater share of the cost of higher education is not likely to increase dramatically in the foreseeable future, task force members found it imperative that efforts to make a wide range of scholarships and other financial aid available to Ohio's best and brightest be expanded. Attracting private support will be a major factor in keeping access to higher education open to as many students as possible.

Make Priority Setting a Priority

Drawing on years of experience in the business arena, task force members affirmed the importance of setting priorities as an all-important prelude to budget allocation and cost-cutting action. At Kent, a commitment to priority setting is most evident in the University Priorities and Budget Advisory Committee (UPBAC), a committee of faculty, administrative, and civil service staff, and students who provide feedback to President Carol A. Cartwright on a wide range of budgetary and planning issues. The task force strongly endorsed the establishment of such representative groups as an effective internal resource for colleges and universities.

The task force found the UPBAC particularly suited to the task of "sharpening the focus" of the Kent State University Mission Statement, a current project under the direction of the University Provost and UPBAC Chair. UPBAC members are engaged in an in-depth analysis of the University's mission, the result of which will be a series of specific goal statements for use in guiding the plans of departments, schools, colleges, and the University as a whole. Task force members were enthusiastic about the utility of such a tool in the University's continuing efforts to streamline operations.

Balance Rewards for Teaching, Research, and Service

Universities are in the business of preparing citizens for successful, responsible participation in a complex society. Thus, the quest for maximum efficiency in resource allocation must be tempered by vigilance in preserving the quality of programs and services for students. The high quality of the education that Kent and its counterparts provide is, in large part, a function of the varied skills, achievements, and dedication of faculty members.

Nevertheless, questions persist about the quality and quantity of faculty work, and about the public perception that research takes precedence over teaching. To attract, retain, and encourage faculty members of the highest caliber, and to make a definitive statement about the value placed on teaching, Kent instituted a dual-category merit review system, which is discussed in this report. The system, which employs separate "merit pools" for Teaching/Service (including academic advising) and Research/Scholarly Activity (including creative performance/showing), recognizes that teaching and research are equally important and complementary components of a high-quality educational experience.

Recommendations and Conclusions

While members of Kent's Managing for the Future Task Force were initially reluctant to give advice outside their areas of expertise, the extensive background information they received about Kent and higher education in Ohio, coupled with hours of on-site examinations of University operations, allowed them to reach a strong consensus on a number of issues.

The task force felt strongly that the price-controlled economy under which Ohio's public colleges and universities are forced to operate should be discontinued (i.e. fee caps are inappropriate). Instead, the price of higher education should be determined according to its market value, with due consideration for maintaining access and enhancing financial aid and scholarship support.

Another area of strong agreement centered on the critical need for revenue enhancement strategies, which were considered as important as cost-containment measures. Task force members felt this was an area that has been neglected, and suggested that serious consideration be given to such measures as a state-tax credit for contributions to colleges and universities; a variable income-tax rate to be activated only during state tax-revenue shortfalls; and a gasoline tax earmarked for higher education. Revenue-enhancement measures need not be confined to tax matters. For example, it was suggested that a cap be placed on individual lottery winnings, with proceeds above the cap assigned to public education.

The task force made recommendations for further consideration by the University. They noted that from the view of experts outside of the University, the following ideas appear worthy of further review and analysis.

- Clarify the relationship between the Kent Campus and the Regional Campuses to eliminate any redundancy of staff functions.

- Consider pooling the University's insurance risk with other universities, possibly by using a single carrier with individual ratings for each university. For example, Kent and the sixteen other Cleveland-area public and private colleges and universities that constitute the Cleveland Commission on Higher Education are exploring the possibility of jointly purchasing health insurance for their employees (the combined cost of which has reached a staggering $43 million).

- Adjust the worker's compensation premium the University must pay so that the University acts as a reimbursing employer, as it does for unemployment compensation.
- Move to a system of employee contributions to group health insurance, which would be more in line with emerging industry standards. Focus on covering catastrophic illness, with less concentration on first-dollar type of coverage.
- Re-evaluate the credit-hour pricing structure.
- Consider using bank lock boxes instead of processing all payments through the Bursar's Office.
- Centralize travel costs.
- Upgrade systems wherever possible to realize all efficiencies.
- Explore outsourcing of services that might be performed equally, if not more, efficiently off campus.
- Reduce and/or phase out any auxiliary unit whose relationship to the academic and service missions of the University is weak.
- Raise charges for the use of facilities that service a large proportion of nonstudents to market levels.
- Create new methods of promoting Kent's numerous successes. For example, consider a print-media equivalent of the University's Radio News Line.

State-level actions advanced by the task force include:

- Share physical and human resources among as many colleges and universities in the region as possible. For example, task force members cited the success of such interuniversity partnerships as the Northeastern Ohio Universities College of Medicine, a consortium of Kent, the University of Akron, and Youngstown State University that enables qualified students to earn combined bachelor of science and doctor of medicine degrees in six years; WNEO/WEAO (public television channels 45/49), operated by the Northeastern Educational Television of Ohio, Inc., another consortium of Kent, the University of Akron, and Youngstown University; and the international business school under joint development by Kent, Cleveland State University, the University of Akron, and Youngstown State University. The task force also recommended the expansion of dual-admissions agreements and other partnerships with area community colleges. Kent's dual-admissions agreements include Cuyahoga Community College (the first of its kind in Ohio and a relationship that has since been extended to include a minority-teacher recruitment project and a faculty-staff development program), Lorain Community College, and Lakeland Community College.

- Streamline the paper-laden, time-consuming capital projects funding process. Capital bills often include funding for community projects, resulting in a debt service that draws against funds available for higher education.

- Involve local business and civic leaders in problem solving whenever possible.

- Encourage state retirement systems to index retirees' benefits according to inflation. Have retirees pay more for their health insurance to reduce universities' contributions.

- Consolidate data reporting for Board of Regents and federal data reporting.

It was concluded that institutional reviews such as those conducted as part of the statewide Managing for the Future initiative should be put into practice on an ongoing, cyclical basis. Such advisory committees are valuable as long-term, collaborative efforts. The informational framework, as well as the mutual trust and respect, developed during such ventures should be maintained and nurtured as an important source of external insight and support. Kent's task force members, who came to view themselves as new advocates for higher education, concluded their six-month association with an informal agreement to hold regular follow-up meetings.

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Lakeland Community College
Mentor, Ohio

Co-Chairs

Paul J. Beddia, The Lincoln Electric Company

Ellen Cantor, Lake County Department of Human Services

Dana Dennis, Parker-Hannifin Corporation

Carol Zarlenga, Zarlenga Industries, Inc.

Diane Howard, Lake Hospital Systems

W. R. Moyer, Member, Lakeland Board of Trustees

Larry Aufderheide, Lakeland Community College

John Kesler, Lakeland Faculty Association

Christine Haskins, Lakeland Staff Association

Ex-Officios

Ruth Zollinger, Lakeland Community College

Gerard Reis, Lakeland Community College

Richard Basich, Lakeland Faculty Association

Richard Tomchak, Lakeland Faculty Association

Nancy McSteen, Lakeland Staff Association

Donna Wing, Lakeland Student Union Board of Representatives

2. **Summary Observations**

The process for institutional review was comprehensive, wide-ranging, and included significant numbers of College and community personnel. Information was obtained through proven methodologies and included responses by trustees, and by unit administrators, faculty, and staff; in addition, data from Regents reports and a variety of institutional reports added substance to observations and policy statements. Representatives from the community serving on the steering committee provided external perspectives on issues and information.

The College has already addressed the possibility of a future of severely constrained financial resources by developing a set of seven key institutional priorities. These are accompanied by a commitment to plan to maintain the primary instructional goals of the mission. The College recognizes that cost containment may involve reduction of services which have contributed to quality opportunities for students and the community. All units reporting to the Institutional Review Committee clearly stated their concept of service and performance. In each case, commitment to achieving the goals of the College mission was uppermost and regarded as appropriate. The definitions of quality resulting from the review reflect campus-wide recognition that quality service depends upon a system of operations provided across all units involving all constituencies. There is a clear understanding about productivity in the context of accomplishing the mission, with all units reporting that it consisted of the effort expended to achieve goals and involved attention to those measurable results which demonstrate that goals are being met.

It is clear that faculty are committed to the teaching mission of the College and that their primary responsibility is quality instruction. Faculty are productive not only in terms of broad institutional data measures but also in terms of departmental, institutional, and community service, and research activities. Faculty productivity to be evaluated fully must be seen in the context of individual responsibility within a specific discipline organized for specific purposes, which vary across disciplines and departments.

Faculty workload is clearly defined and understood across the campus and there are clear accountability standards. It is recommended that faculty workload and productivity are questions properly managed within the context of this institution's history and developing culture, and, moreover, that Lakeland faculty, administrators, and trustees should remain the appropriate parties to give definition to faculty workload and productivity.

Institutional governance at the College has become well-established and effective in recent years. Leadership and accountability beginning with the Board of Trustees is clearly

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defined, as are the authority and responsibilities of the president, the administrators, and the faculty association. There are effective structures in place for participative policy advisement in academic and other institutional areas.

Forces influencing institutional costs have been identified, with focus on the people-intensive character of the comprehensive community college mission. Strategies for revenue enhancement and cost containment have been developed and implemented, and plans for additional strategies are being considered. Additional recommendations are being made by the Institutional Review Committee for evaluating effectiveness and efficiency in specific areas.

Eight specific recommendations for change at the state level have been made, with emphasis on those changes which would strengthen the College's ability to communicate with the state, to plan, and to operate in a future of diminishing financial resources and more complex regulation.

The sections which follow present detailed analysis and data in support of the points established.

3. Narrative

a. Relationship between quality and cost: Overview

The Lakeland Community College mission encompasses six goals primary among which are those providing for the academic curricula and technical programs which sustain the purposes for which the College was chartered (Appendix B). Each unit of the institution is organized to contribute to the accomplishment of the mission goals. The measure of performance appropriate for the College is how effectively its units function in accomplishing the mission.

Quality is by charter and mission primarily achievable through effort made to deliver effective educational opportunities. Delivery involves the degree to which opportunities are maximized and the extent to which public access is made available. Levels of service have traditionally been determined by the College's ability to provide financial support.

Educational opportunities consist of programs and their components. Those include curricula, faculty, and instructional technologies. At Lakeland, "faculty" refers not only to traditional classroom teachers, but also to counselors, librarians, and developmental specialists. "Technologies" include equipment for training students as well as delivery method--i.e., lecture, lab, tutorial. All those components for the most part expand in direct proportion to costs. Establishment and maintenance of a well-qualified faculty, an appropriate array of technologies, and a responsive curriculum are quality achievements in support of mission which are primarily dependent on the college's having adequate financial resources.

Also, in direct proportion to cost is effort made to provide access. Access refers to the kind and degree of pathways available for public pursuit of educational opportunities. The College's role has been to both invite participation and to respond to demand. Demand, from students at all stages, is typically driven by preferences for times of service, by academic ability levels, by objectives, by ability to pay, and, to a lesser extent, by the perception of safety, reputation, or quality of life aspects. In times of high demand and strong financial resource support, the College has made access a key priority. Liberal scheduling of classes, close attention to entry-level placement, comprehensive financial aid programs, extended hours for admission and registration are quality achievements in support of mission which are primarily dependent on the college's having adequate financial resources.

Thus far, quality has been discussed in terms of the kinds and degrees of services which can incur significant costs. However, quality is also demonstrated by efforts made to assess effectiveness of delivery components, and efforts in this case do not necessarily expand in direct proportion to costs. In many cases, heaviest costs are incurred at start-up points and become negligible during maintenance phases. For example, an academic probation policy is established by faculty effort which is generally an addition to primary workload. Thereafter, this effective quality control mechanism is maintained at relatively low cost. Again, a formal transfer articulation agreement between the college and a state university may incur start-up costs--e.g. administrative time--but thereafter maintenance costs are negligible. Quality mechanisms of these kinds are highly economical means of supporting mission.

Lima Technical College

Lima, Ohio

Chairman

Walt Kinsey
General Manager, Lazarus Department Store

Members

Rita Deerbake
Senior Vice President, St. Rita's Medical Center

Thomas Mullen
Publisher, The Lima News

Richard Rapp
President, Gasdorf Tool

William Ruse
President, Blanchard Valley Hospital

SUMMARY

Recommendations To The State

Our task force recommends that Ohio's state-supported higher education, to address serious quality and cost issues through the appropriate boards, agencies and the legislature, should consider the following initiatives:

*Undertake an open-minded study of the potential for a more cost-effective delivery system through state-funded community colleges, rather than technical colleges and branch campuses of state universities.

*Increase the actual teaching load for full-time faculty, directly reversing trends of rising faculty costs and declining teaching responsibilities.

*Link some faculty, staff and administrative compensation to performance, rather than rolling all increases into base pay.

*Use evolving communications technology on a wider, deeper scale to deliver higher education in nontraditional and creative ways, with greater institutional networking and sharing.

*Provide relief from higher costs forced on institutions by legislation and regulation.

*Review academic programs regularly and honestly, seriously challenging those that cannot be cost-justified.

*Simplify the requirements state institutions face in dealing with the state bureaucracy.

*Restore sovereign immunity to state institutions, reducing insurance and legal expenses.

*Expand the use of pools for such common needs as insurance and purchasing.

*Contract additional campus services to outside vendors.

*Change banking laws to relax reserve requirements on state deposits, producing additional interest revenue

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SUMMARY

Lima Technical College Overview

Review of Lima Technical College operations made the task force aware of these important points:

*Lima Tech operates with a market orientation, targeting customer expectations to determine the quality of its programs and services.

*Adequate funding for people and equipment, a key to quality, has not been maintained by the state.

*Career higher education is flexible and dynamic, responding relatively quickly to a changing student body and jobs market.

*Lima Tech is vital to economic change and development in our 10-county region of west central Ohio.

*Faculty workload and productivity at Lima Tech are higher than that found at typical state institutions of higher learning.

*Enrollment is growing dramatically, while faculty, staff and administration overhead is nowhere close to keeping pace.

*Additional state funding cuts seriously threaten Lima Tech's ability to deliver quality programs and services with existing breadth and depth.

*By sharing its campus with The Ohio State University at Lima, the technical college realizes some efficiencies, although the arrangement is a greater benefit to OSU.

*Lima Tech actively assesses its educational effectiveness in a variety of ways.

*A new strategic planning process is under way at Lima Technical College, to be implemented this year with a leadership commitment that the plan will be effective and ongoing.

* * *

Lorain County Community College
Elyria, Ohio

Community Members:

Mr. John Butkowski
Manager, Special Projects
Lorain Products Company

Mr. Wilfred Castro
Associate Agent
Robert V. Gay Insurance Company

Mr. Frank DeTillio
President, Lorain County
Chamber of Commerce

Mr. Kel Fligner
Owner
Fligner's Supermarket

Mr. Larry Jones
President & C.E.O.
Erie Shores Computer

Mr. James Kidd
Executive Vice President
Lorain National Bank

Mr. Donald Knechtges
Senior Vice President, Commercial
B.F. Goodrich Company

Mrs. Fay Rowland
President & C.E.O.
Universal Container Repair, Inc.

Mr. Otmar Sackerlotzky
Vice President, Quality
Invacare Corportion

Mr. Edwin Zacovic (Deceased)
Vice President
Lorain County AFL-CIO

Lorain County Community College Staff

Dr. Roy Church
President

Dr. Donald Arnold
Vice President for Administrative Services

Mr. Joseph Sarnovsky
Controller

Ms. Elsa Walker
(Recorder)
Personal Secretary

Managing for the Future Task Force
Lorain County Community College
Institutional Committee Report

Executive Summary

The following major themes and concepts are elevated from this report and presented here in the highest aggregation. These are intended as condensation of the discussion that follows without assertion as to priority ranking.

- The College must be successful in passage of a **Replacement Levy** this year.
- The College must obtain its **fair share** of public support through the instructional subsidy.
- The College must assiduously implement its campus-wide **Total Quality Assurance and Continuous Improvement Program.**
- The College must contain runaway **health care costs.**
- The College should undertake the development of the **Technology Park.**
- The College should pursue "other" **non-traditional** **resource** developments.
- The College must **maintain quality** while doing more with less even though enrollment is growing.
- The College should remain **affordable and accessible** and meet its cultural diversity mandate.
- The College must stay **flexible and responsive** to its community.
- The College is **influenced by major forces that increase cost** or limit productivity over which it has no control.
- The College must remain a **major catalyst** in the Lorain County community.

Marion Technical College
Marion, Ohio

Mr. James Traveline, Superintendent
Marion County Schools

Mr. Steve Futrell, President & C.E.O.
Bank One, Marion

Mr. Paul Ditman
Director of Technology & Quality Planning
Whirlpool Corporation
Marion Division

Mr. Bill Smith, President
Community MedCenter Hospital

J. Richard Bryson, President
Marion Technical College

Doug Boyer, Vice President
Administrative & Financial Services
Marion Technical College

MARION TECHNICAL COLLEGE
OHIO BOARD OF REGENTS (OBR) MANAGING FOR THE FUTURE REPORT

TASK FORCE PROCESS

Each vice president gathered information to address task force questions. The information was presented to a group of local leaders from business, industry, service and education organizations. Their comments and suggestions were incorporated at both the draft and final stages.

MARION TECHNICAL COLLEGE MANAGING FOR THE FUTURE TASK FORCE
Paul Dittmann, Director of Technology and
Quality Planning, Whirlpool Corporation
Thomas Ivory, Area President District Executive, BancOhio
Philip W. Smith, Jr., President, MedCenter Hospital
James Traveline, Superintendent, Marion County Schools

FINDINGS AND RECOMMENDATIONS

1. Since nearly half of those in college in Ohio and the nation attend **two-year colleges, obviously they believe we are meeting** their **needs** well. For Ohio to attract and keep industry and jobs, we must be responsive to employment needs. Our ability to respond quickly to their needs with appropriate programs and services is directly related to state policies, guidelines and funding. Education and the system supporting it should be dynamic to allow for ongoing changes.

2. Public colleges were developed initially to provide low cost access to an education. **First and foremost, teaching and keeping an education affordable, and therefore accessible, must be a priority.** If constrained resources threaten access, then ineffective programs must be deleted in favor of effective ones rather than taking a shotgun approach to cutting costs. Two-year colleges do a tremendous job of providing access to those who seriously need it.

3. Sweeping changes are needed in an outdated, inappropriate state funding system. Two-year colleges are extremely cost effective. **The system must not reward inefficiency as it currently does.** Funding should be directly related to graduate employment so taxes are used to meet needs as opposed to being based on historical costs. Consumer priorities need examined and funding changes made to meet customer needs. Quality is whatever our customers say it is and quality is dramatically affected by funding.

4. **Two-year colleges' primary focus is on teaching.** At a time when the state economy is struggling and large numbers of people are out of work, the State should maximize its expenditures by placing higher priorities on efforts focused at teaching employable skills.

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5. Rules that applied twenty years ago when two-year colleges were small must change to reflect the fact that nearly half of Ohio's college students are being educated at two-year colleges. Policies must encourage the ability to adapt and respond to Ohio's needs. Major changes are needed in transferability of credits, program approval processes, and funding.

6. Consolidate rather than duplicate resources by forming Centers of Higher Education on shared campuses. On shared campuses the university branches emphasis should be changed to junior, senior and graduate level course work and allow the more efficient two-year colleges to serve as associate degree transfer/feeder institutions. Why duplicate efforts and waste resources when this system actually would serve a great need to provide improved local access to upper level higher education?

QUALITY AND COST RELATIONSHIP AT MTC

MTC'S PRIORITIES DURING CONSTRAINED RESOURCE TIMES

Marion Technical College is a small institution with limited opportunities to benefit from economy of scale. As a result, efficiency and effectiveness are basic elements in every part of our philosophy and operation. Quality is essential to meet the needs of increasingly demanding customers. Costs related to faculty, class size and services offered have very obvious bearing on the quality of programs offered.

Over the past three years, the State has challenged MTC to continuously improve its quality and accessibility to record numbers of students with fewer and fewer resources. MTC accepted the challenge by developing strategic plans which focus all college activities in a unified direction. Programs are developed to address key issues such as customer needs/satisfaction, business/industry partnerships, changing mission (from technical to community college), literacy, growth and resulting space needs.

MOVEMENT TOWARD PRIORITIES

MTC's philosophy is one of continual quality improvement in everything we do. Our purpose is to provide career centered technical education aimed at employment and as a stepping stone in a lifelong education. MTC continues to grow due to our ability to respond quickly to increasing customer needs despite limits prescribed by state finances and bureaucracies; however, progress toward its goals has slowed.

HOW DOES MTC DEFINE AND MEASURE QUALITY?

Quality at Marion Technical College is ultimately defined by our customers, both students and employers. Their satisfaction and success is our measure of quality. Guidelines and measurements of quality are also defined by the North Central Association of Colleges and Schools (NCA) and other accrediting organizations.

Medical College of Ohio
Toledo, Ohio

Robert E. Showalter
Task Force Chairman
Member, Medical College of Ohio
Board of Trustees

Ashel Bryan
Community Representative
Former Chairman
Medical College of Ohio Board of
Trustees

James Freisheim, Ph.D.
Professor & Chairman
Dept. of Biochemistry &
Molecular Biology
Medical College of Ohio

Stephen Heater, Ed.D., OTR/L
Associate Dean & Professor of
Occupational Therapy
School of Allied Health
Medical College of Ohio

Richard Heymann, Jr.
Community Representative
Former Member
Medical College of Ohio Board of
Trustees

James Hoffman
Community Representative
Member, Medical College of Ohio
Foundation Board

Richard F. Leighton, M.D.
Vice President for Academic Affairs &
Dean of the School of Medicine
Medical College of Ohio

Frank S. McCullough, M.D.
Vice President for Clinical Affairs
Medical Director
Medical College Hospitals
Medical College of Ohio

John Minnick
Vice President for Finance
Medical College of Ohio

Richard Ransom
Community Representative

Emerson Ross, Jr.
Vice Chairman
Medical College of Ohio Board of
Trustees

Allan Rubin, M.D., Ph.D.
Professor & Chairman
Dept. of Otolaryngology
Head & Neck Surgery
Medical College of Ohio

John Szuch
Community Representative

Bernhardt Zeiher
Community Representative

Richard D. Ruppert, M.D.
President

William McMillen, Ph.D.
Executive Assistant to the President

MANAGING FOR THE FUTURE

AT THE MEDICAL COLLEGE OF OHIO

Executive Summary

The Medical College of Ohio endorses efforts by the State of Ohio to offer guidelines for better management of higher education throughout the state. The Medical College's Managing for the Future Task Force has worked for the past six months to coordinate campus efforts in crucial areas of management and education. These areas include goals, educational quality, and institutional productivity.

The Task Force's sub-committee on Goals notes that the College has identified realistic and attainable goals which will serve to direct its efforts to fulfill its mission of education, research, and service, and has established a system to implement these goals.

The Task Force's sub-committee on Quality has delineated a significant number of key quality areas in academics and has examined how each of these areas is influenced and understood by objective and subjective criteria. The sub-committee notes that increased financial incentives could influence quality in certain areas.

The Task Force's sub-committee on Productivity has examined how specific academic jobs and results can benefit from increased productivity including but not limited to more thorough evaluations and the introduction of specific evaluation guidelines.

The efforts that the Medical College now undertakes to examine Goals and Productivity will be monitored on a continuing basis by the Academic Committee of the Board of Trustees and by the Board as a whole with a complete report due annually from the College's administrative staff.

Miami University
Oxford, Ohio

Mr. Todd H. Bailey

Dr. B. Derrell Hart

Mr. Richard R. Jordan

Dr. Susan A. Kay

Dr. Richard L. Nault

Mr. John Weld Peck

Dr. Linda Ade-Ridder

Mr. Stephen A. Scovic

Mr. Thomas A. Simons, Jr.

Dr. Raymond M. White

MIAMI UNIVERSITY MANAGING FOR THE FUTURE TASK FORCE REPORT

I. INTRODUCTION

The State Task Force charged the Miami University Task Force with the responsibility of determining the extent to which Miami University could improve its future use of the institution's professional, financial and physical resources. The Task Force was implicitly directed to confirm that the resources of the State of Ohio were being used wisely and efficiently. Where opportunities were identified by the Task Force to accomplish greater savings at Miami, those opportunities were to be explored and presented for consideration wherever the opportunities for greater efficiencies appeared to be feasible.

As is reported in this document, this Task Force has attempted to conscientiously and comprehensively discharge the assignment received from the State Task Force.

A detailed description of the process used by the Miami University Task Force and the scope of activity undertaken by the Task Force since August, 1991 was submitted to the State Task Force on March 21, 1992. The description of that process will not be repeated here.

The future of Ohio's commitment to high quality public higher education at a reasonable cost is at stake. Likewise, nothing less than the future vitality of Ohio's industrial and service employment base, with the direct contribution to Ohio's tax revenues necessary to support future educational, social and infrastructure needs, is at stake.

Miami University and the State of Ohio appear to be at a critical crossroad -- either Ohio will decide that a gradual decline toward mediocrity will ensue at all levels throughout the State or Ohio will more properly conclude, in its own self interest, that its future prosperity and success lies with a continuation of the level of public support for high quality public university education for its citizens necessary to assure Ohio's competitive standing within the United States and internationally. A well educated work force, supported by an accessible and high quality public university system, will repay in tax revenue dividends many times over the amount of the current investment reflected in State support.

During a period of repeated financial emergencies and continuing contractions in State support, the professionalism of Miami's faculty, staff and administration has been, in very large part, preserved and their commitment to the shared mission of high quality undergraduate instruction has remained intact. In short, as the Task Force reported on March 21, 1992 to the State level Task Force, the several millions of dollars in cost reductions implemented to date at Miami have been disproportionately absorbed by the nonacademic sectors of the University. However, Miami's faculty have also made sacrifices and future sacrifices will regrettably be necessary.

Miami's primary focus and mission, through at least the past 30 years, has been quality undergraduate instruction, rather than a predominant research orientation or graduate school emphasis; therefore, it has stayed relatively lean and efficient in its use of resources. Because instruction has been the predominant emphasis, Miami has not been in a position to avail itself of extensive grant monies to support research or other academic initiatives. Therefore, State revenues have been and continue to be critical in the support of the primary educational mission.

Miami's Task Force is convinced that future cuts in State support will have adverse and long lasting, if not potentially permanent, effects on the quality and value of the Miami educational "product". As discussed herein, that "product" is not easily described or quantified -- but that "product" has been consistently recognized on the national level as being of extraordinarily high quality, but "delivered" at a reasonable cost. This noteworthy and extraordinary State resource is the direct result of generations of effort by dedicated faculty, staff and administrators -- based on the receipt, in part, of adequate levels of support by the citizens of Ohio. In the face of public accountability to the State, Miami has consistently demonstrated sound management of its financial resources. In accordance with those practices and values, as discussed herein, Miami has preserved the primacy of undergraduate teaching while absorbing a substantial decrease in the level of State support over the last two years. From this point forward, however, future reductions will directly impact the ability to preserve the accomplishment of that mission. In fact, that point of beginning to directly compromise the quality of the Miami educational experience may already have been reached.

The Miami Task Report consists of five parts. The first portion of the Report addresses the five questions identified by the State Task Force. As was reported on March 21, 1992 to the State Task Force, the Miami University Task Force also undertook a comprehensive review of the entire Miami community by focusing particular attention on four key operational and/or topical components: (1) physical facilities, (2) faculty productivity, (3) academic support services and (4) governmental and regulatory oversight.

Muskingum Area Technical College
Zanesville, Ohio

Ms. Tami Allsup
President, Student Senate

Dr. Richard Bartlett
Dean, Business Division

Dr. Dolores Floria
Vice President for Instruction

Mr. Edward Geiger
Dean, Training & Consulting

Mr. Gene King
Vice President for Student Services

Mr. Steve Phillips
Chairman, Staff Senate

Mr. Ronald Pratt
Vice President for Business Services

Mrs. Kay Roach
Dean, Health, Public Service & General Studies Division

Mr. Steve Rostek
Dean, Engineering & Science Division

Mr. Mitch Stillberger
Chairman, Faculty Senate

Dr. Lynn Willett
President

EXECUTIVE SUMMARY OF
MANAGING FOR THE FUTURE AT MUSKINGUM AREA TECHNICAL COLLEGE
MAY, 1992

During 1991-1992, Muskingum Area Technical College conducted an institutional study as a result of guidelines received from the Ohio Board of Regents' Managing for the Future Steering Committee. In addition to input from the President's Cabinet and feedback from full-time college employees, the College utilized advisory committee members, adjunct faculty, and the College's Board of Trustees.

Major areas reviewed during this study included the College's mission, cost containment factors, cost reduction/productivity improvement strategies, and quality of programs and services.

As an outcome of the study, the following recommendations were made for the College and for State leaders:

A. Recommendations for the College

1. Eliminate academic programs which are not productive as determined by the College's annual programmatic evaluation strategy.
2. Freeze all non-faculty hiring and increase the percentage of classes taught by part-time faculty.
3. Develop methods of evaluating student academic achievement at critical points in academic programs.
4. Implement measures (see 3. above) in a consistent manner and utilize results for the improvement of instruction.
5. Implement and carefully monitor health care cost containment programs such as managed care, preferred provider organization, and extended care review. Utilize employee cost sharing through increasing deductibles and co-payments.
6. Install and maintain building lights with low wattage fluorescent types.
7. Establish a surplus property "clearing house" for internal use.
8. Expand use of community facilities for added growth rather than new on-campus construction.
9. Implement a variety of facility changes such as: close Littick Hall, utilize two lab lamps rather than four, add gas-fired heaters for hot water, replace switches with sensors in classrooms/offices, additional roof insulation, and triple pane the window surfaces.
10. Charge user fees for services presently free.

B. Recommendations for State Leaders

1. Simplify the subsidy funding formulas and remove inequities in instructional support among various subsidy levels.
2. Change the connection between State funding and student tuition; i.e., eliminate "student fee assumption" nomenclature.
3. Change the current buffer system base from 1980-81 to a current rolling three-year period.
4. Reduce State-mandated requirements for reporting duplicative data by increasing OBOR's ability to retrieve data from current information systems.
5. Advocate for the two-year colleges to receive their "just share" of the Federal Perkins money which is now largely going to the State's vocational schools.

PROCESS DESCRIPTION

Muskingum Area Technical College's Managing for the Future Committee was composed of members of the President's Cabinet which included the following individuals:

Ms. Tami Allsup - President, Student Senate
Dr. Richard Bartlett - Dean, Business Division
Dr. Dolores Floria - Vice President for Instruction
Mr. Edward Geiger - Dean, Training & Consulting
Mr. Gene King - Vice President for Student Services
Mr. Steve Phillips - Chairman, Staff Senate
Mr. Ronald Pratt - Vice President for Business Services
Mrs. Kay Roach - Dean, Health, Public Service & General Studies Division
Mr. Steve Rostek - Dean, Engineering & Science Division
Mr. Mitch Stillberger - Chairman, Faculty Senate
Dr. Lynn Willett - President

Each of these members reviewed the materials submitted to the institution by the Ohio Board of Regents' Managing for the Future Steering Committee. In addition a wide range of institutional documents were reviewed, such as: the College's mission statement, its "Most Likely Scenario" planning document, the Five-Year Institutional Financial Plan, the Five-Year Program Development Plan, and the North Central Self-Study Report and Recommendations, along with a wide variety of anecdotal data available to all College personnel. The outside perspective was provided by input from the College's advisory committee members, adjunct faculty, and the nine-member Board of Trustees.

The overall questions provided by the state-wide OBOR Steering Committee were the beginning focus of each subcommittee activity. To a minor extent the effort required a North Central-like self-study process. This is a process which consists of collecting a wide variety of institutional data, writing and submitting committee reports, and producing an institutional draft of the various reports. This draft was then disseminated to the institution for comment and critique and then final recommendations were developed. A final draft was then prepared and submitted to the Board of Trustees on May 18, 1992, at which time it was reviewed and approved. The report was then submitted to the Ohio Board of Regents.

North Central Technical College
Mansfield, Ohio

Jeanne L. Alexander
Partner, Alexander & Wilkinson Advertising

Roy G. Brown
Retired, Ohio Brass Company
V.P. Sales
Task Force Chairman

Robert Enskat
Retired, Mansfield C.P.C. Plant
General Motors Plant Manager

Tom Kay
Retired, Tappan Company, Vice President

Burton Preston
President
Purdy Construction Company
Member NCTC Board of Trustees

Pamela Siegenthaler
Mansfield Typewriter Company Systems Consultant
Vice President, Mansfield City School
Board of Education

Robert Sutter
Retired, Bank One, Mansfield, Ohio
Senior V.P. & Trust Officer

1. *A brief description of the process used in the institutional management review, including names and affiliations of the institutional committee members.*

The institutional "Managing for the Future" Task Force of North Central Technical College was selected by the Board of Trustees of NCTC and impaneled in late September 1991. This Task Force consists of the following individuals:

Jeanne L. Alexander	Partner - Alexander and Wilkinson Advertising
Roy G. Brown	Retired - Ohio Brass Company, V.P. Sales Task Force Chairman
Robert Enskat	Retired - Mansfield C-P-C Plant, General Motors Plant Manager
Tom Kay	Retired - Tappan Company, Vice President
Burton Preston	President, Purdy Construction Company Member NCTC Board of Trustees
Pamela Siegenthaler	Mansfield Typewriter Co. Systems Consultant Vice President, Mansfield City School Board of Education
Robert Sutter	Retired - Bank One-Mansfield, Ohio Senior V.P. and Trust Officer

Beginning in early October 1991, and continuing through early May 1992, members of this Task Force met with members of the NCTC Board of Trustees, its President, members of the staff, and various members of the faculty on an individual basis and in groups for the purpose of reviewing the specific issues requested by the Board of Regents, along with a variety of additional issues. In addition, the Task Force traveled to Columbus on January 7 for a meeting with Chancellor Hairston. It is estimated that this total effort involved some 600 man hours, including the preparation of this report

2. *A brief description of the findings and recommendations of the institutional management review.*

NCTC shows by its growth in student enrollment and rebuilding of reserves that it is providing education to meet the community needs at an economic cost. The Task Force believes this is essentially due to the trustees having an excellent professional president and qualified staff all working together. It would be difficult for this Task Force to make specific recommendations on a further reduction of costs at NCTC that would not have a serious adverse effect on program quality. The Task Force believes that any major contributions to cost reduction are best addressed at the state level.

The Task Force understands that the system of higher education, established by the General Assembly, leaves the Board of Regents in a coordinating rather than a governing position. We have no desire to take away the independence of individual educational institutions. However, the Board of Regents must be given authority and must take a more directive role in state education in many areas. We have outlined our recommendations in the areas of reporting systems, credit transfer, change to the semester system, and the centralization of services. With respect to the state's need to achieve maximum utilization of investment in facilities and to make the best use of closely located campuses and faculties, we have pointed out as an example the significant duplication of expenditures at NCTC and OSU-Mansfield, and the potential savings through the utilization of emerging technologies.

The Task Force believes that the existing state system of funding higher education has no relationship to what the public expect in the 90's. The industrial and business leadership of our area need a stronger emphasis on practical skill training necessary to stimulate and promote economic development, with attention given to programs involved with new jobs, new technologies, and new business. We believe the public will no longer support tax dollar expenditures that are not essential to social and economic development.

The Task Force would like to thank the Governor, Board of Regents, and the NCTC Board of Trustees for the opportunity of serving and the NCTC President and staff for their cooperation and assistance in our review of this important matter

Northeastern Ohio Universities College of Medicine

Rootstown, Ohio

Theodore V. Boyd, J.D.
Chairman of the Board
Radio Station WHBC
Member, Board of Trustees

William H. Considine
President
Children's Hospital
Medical Center of Akron

David E. Dix
Vice President
Wooster Republican Printing Company & Publisher
The Record Courier Newspaper
Member, Board of Trustees
Medical Ed. Foundation of the College of Medicine

Richard J. Eplawy, M.B.A.
Vice President for Business & Finance

Melvin E. Farris, Ph.D.
Family Practitioner, Chairman
Board of Trustees

Barbara A. Hiney
Owner, The Bookbound
Chairman, Board of Trustees
Summa Health Systems

W. Robert Kennedy, Ph.D.
Director of Medical Education
St. Elizabeth Hospital Medical Center

James R. Boex, M.B.A.
Associate Dean & Special Assistant to the President

Emily P. Mackall
Professor & Chairman Emeritus
Dept. of Economics
Youngstown State University
Former Member, Board of Trustees
Northeastern Ohio Universities
College of Medicine

Glenn H. Meadows
Retired CEO
McNeil Corporation
Member, Board of Trustees

Robert E. McArtor, M.D., M.P.H.
Professor & Chairman
Family Medicine

J. David Sabine
President
Ambulatory Health Care Corporation
Member, Board of Trustees
Medical Education Foundation of the College of Medicine

Michael Schwartz, Ph.D.
Professor of Educational Administration
Educational Psychology & Leadership Studies
President Emeritus
Kent State University

Janice M. Spalding, M.D.
Assistant Director
Family Practice Residency Program
Barberton Citizens Hospital
Assistant Professor of Clinical Family Medicine

Ralph G. Walton, M.D.
Chairman, Dept. of Psychiatry
Western Reserve Care System

Ann K. Otto, M.Ed.
Assistant Vice President for Administration
Director of Human Services

Barbara F. Siwinski, M.B.A.
Assistant to the President and Dean

EXECUTIVE SUMMARY

The College was established in the mid-1970s as a low-cost medical education alternative to the high-cost university medical centers in existence in Ohio. Having enhanced its low-cost design with prudent and innovative management, the College is found to be both effective and efficient.

Its effectiveness is assessed by the activities and quality of its graduates, as evaluated by both the graduates themselves and their training program directors. Not only is the quality of the graduates high, but their commitment to community-based practice is strong. Continuing efforts need to be undertaken and monitored to meet the primary care mission of the College, but it is noted that increased efforts toward this goal are currently underway.

In terms of taxpayer support NEOUCOM is the most efficient medical school in Ohio, realizing an average savings of over $3.5 million per graduating class when compared to Ohio's other publicly-supported medical schools. From a student perspective, the BS/MD curriculum allows for savings of over twenty percent when compared to the traditional disarticulated medical education route.

Over the College's 15 year history the interdependence of the consortium partners has increased and trust has grown. The commitment of the teaching hospitals to the College remains very strong, although there are elements in the competitive external environment which could present challenges to that commitment. The development of the Rootstown campus, both in terms of physical space and the faculty and staff who work in that space, has been a function of the growth of the College as it pursues its mission. Prudent and innovative management by the College's leadership is building upon the efficiencies made possible by the community based, consortium structure to ensure that it remains the most cost-effective medical education program in the State of Ohio.

Northwest Technical College
Archbold, Ohio

Mr. Nelson Bell
Director for Economic Development
Fulton County

Mr. Larry Otto
State Bank & Trust Company
Defiance, Ohio

Mr. John Wilson
Sauder Woodworking Company
Archbold, Ohio

Mr. Monty Cruse
Wal Mart
Napoleon, Ohio

Mr. Tim Kline
Bryan Custom Plastics
Bryan, Ohio

Mrs. Debora Barcy
Director, Health Sciences

Mrs. Marleen Schumaker, Instructor

Mr. Richard Squire, Instructor

Mr. LeRoy Pool, Instructor

Mr. Doug Beck, Supervisor, Buildings & Grounds

Mr. Kenneth Esterline, President, NWTCEA, OEA/NEA

Mr. Robert Pfau, Dean of Institutional Advancement

Managing for the Future
A Report of the Task Force at Northwest Technical College

Executive Summary

In March, 1992, President McDougle created a local Managing for the Future task force, consisting of seven institutional representatives and five area leaders of business and industry. On the state level, the task force supports the recommendations in the letter from Roy Church to Chancellor Elaine Hairston, dated April 10, 1992. In addition, the task force has developed a series of recommendations for the improvement of the efficiency of college operations. The administration of the College has each of these recommendations and other cost reduction and revenue enhancement possibilities under review and will implement those that appear to be viable, in an effort to maintain the level of service in the face of potentially severe reductions in state appropriations.

The quality/cost relationship at Northwest Technical College has operated to mandate serious reviews of all programs. Those, like agri-business and construction, whose demand has been limited, have been placed on inactive status. Growing programs have been allocated increasing amounts of the increasingly scarce resources when both the need and the demand have increased. Examples of programs in this category include early childhood development, nursing, and human services.
A continuous program evaluation and review process assures that quality is maintained and the programs are cost effective at the same time. Cost saving measures already implemented have made possible the absorption of the 1991 subsidy cuts while maintaining quality and increasing enrollment by about 15 percent. Additional savings appear to be possible for 1992-93, without reducing faculty positions. Those savings possibilities, in addition to increasing tuition, to the extent permitted, may make it possible to operate during the coming fiscal year with minimal effect on quality. The longer term effects of hiring freezes, elimination of pay raises, elimination of faculty development funds, reduction in publications and advertising, and severe limitations on capital equipment spending, remain to be determined, but, if long continued, will certainly reduce quality and service levels.

In order to insure the most effective and efficient use of available resources, college administration will continue to involve outside persons by continuing the task force concept, and will actively seek the advice and counsel of other groups, such as: (a) the board of trustees, (b) the Northwest Technical College Foundation board of directors, (c) area state legislators, (d) alumni and current students, (e) program advisory committees, and (f) area press and media. In particular, the board of trustees has been supportive of the task force concept, and has agreed to meet as often as may be required in order to insure adequate and prompt response to changes in state funding levels and the recommendations of the task force and/or other groups.

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Managing for the Future
A Report of the Task Force at Northwest Technical College

THE INSTITUTIONAL REVIEW PROCESS

President L. McDougle formed the local task force, composed of five outside business and industry representatives, and seven institutional representatives, in March of 1992. The first meeting of the group was held on March 25, 1992. The names and affiliations of the task force members are as follows:

Business and Industry
Mr. Nelson Bell
    Director for Economic Development
    Fulton County
Mr. Larry Otto
    State Bank and Trust Company
    Defiance, Ohio
Mr. John Wilson
    Sauder Woodworking Company
    Archbold, Ohio
Mr. Monty Cruse
    Wal Mart
    Napoleon, Ohio
Mr. Tim Kline
    Bryan Custom Plastics
    Bryan, Ohio

College Representatives
Mrs. Debora Barcy
    Director, Health Sciences

Mrs. Marleen Schumaker
    Instructor

Mr. Richard Squire
    Instructor

Mr. LeRoy Pool
    Instructor

Mr. Doug Beck
    Supervisor, Buildings and Grounds

Mr. Kenneth Esterline
    President, NWTCEA, OEA/NEA
Mr. Robert Pfau
    Dean of Institutional Advancement

The task force was first provided with an outline of the statewide and institutional committee charges and some examples of cost containment initiatives undertaken by other institutions and those already completed by Northwest Technical College. Following this introduction, open discussion generated many questions regarding the operation, management and organization of the College. Questions that could not be answered in detail at a given meeting were researched by College staff and answered by means of detailed handouts at subsequent meetings, including extensive reports from Mr. Larry Corbin, Treasurer/Business Manager, and Dr. James Nagel, Dean of Community Services. Throughout the series of meetings an attempt was made to focus on: a.) cost reduction possibilities, b.) revenue generating possibilities, and c.) the specific questions in the section on the product of institutional review in the institutional committee charge.

FINDINGS AND RECOMMENDATIONS

Prior to the establishment of the task force, the administration and management of Northwest Technical College had already instituted a number of cost saving measures. The most important of these were shared with the task force by memorandum from President McDougle, dated March 26, 1992, and attached as appendix "A."

The Ohio State University

Columbus, Ohio

Professor Robert M. Arkin
Associate Dean of Arts & Sciences

Ms. Shirley Dunlap Bowser

Mr. G. Ross Bridgman
Vorys, Sater, Seymour & Pease

Mr. Stephen D. Cheek
I-670 Development Corporation

Mr. Michael F. Colley
Attorney at Law

Dr. James C. Garland
Acting Dean, Mathematical & Physical Sciences

Mr. D. James Hilliker
D. M. Hilliker Company

Mr. W. Lee Hoskins
President & CEO
Huntington National Bank

Dr. John G. Kramer

Professor Albert J. Kuhn

Mr. Gerald E. Mayo, Chairman of the Task Force
The Midland Mutual Life Insurance Company

Mr. Patrick O'Reilly
Deloitte & Touche

Mr. C. A. Peterson
The Ohio Company

Mrs. Jody Phillips

Professor Nancy M. Rudd
Family Resource Management

Mrs. Lee Walker
Enarson Executive In-Residence
School of Public Policy Management

Executive Summary

The Ohio State University Managing the Future Task Force

Gerald E. Mayo, Chair

The Ohio State University Managing the Future Task Force was appointed by President Gee on November 27, 1991. It consists of sixteen members, eleven of whom are from the Central Ohio business community.

Due to the size and complexity of The Ohio State University, the Task Force elected to focus its efforts on broad based issues aimed at assisting the President and the Board of Trustees in leading the University into the future, rather than considering the daily operational issues associated with any given function. The final report, which will be completed in September, provides specific recommendations centered around six key areas as identified by the Task Force. These critical areas of emphasis include:

1. **Mission**

   The need for a clearly defined mission statement that can be used as a guide when establishing priorities and allocating resources.

2. **Governance**

   A process for evaluating and refining the University's governance structure to insure that it is supportive of the University's mission yet reflects its many constituencies.

3. **Information**

   Guidelines for developing information systems that will help insure the allocation of resources is consistent with established priorities.

4. **Academic Achievement**

   Mechanisms to help define, measure and reward success, quality and productivity in achieving the University's academic mission.

5. **Administrative Support**

Processes and procedures that identify and reward improved administrative support to faculty, students and staff including the elimination of unnecessary layers of administrative structure.

6. **Resources**

Identification of the forces influencing institutional costs as well as potential strategies for making more effective use of existing resources.

A complete list of Task Force membership is attached.

Ohio University
Athens, Ohio

Charles J. Ping
President
Ohio University

James L. Bruning
Provost
Ohio University

Frank E. Bernard
Professor, Geography
Ohio University

G. Kenner Bush
Editor
Athens Messenger

Jeanette G. Grasselli

Thomas S. Hodson
Eslocker, Grim, Hodson & Dioguardi

Dean W. Jeffers

Gary O. Moden
Associate Provost
Ohio University

Matthew Rosa

Ralph Schey
Scott Fetzer Company

John E. Stinson
Professor, Management Systems
Ohio University

SUMMARY

Ohio University faces its third century with many strengths: an outstanding faculty, a diverse student population, an impressive array of programs, a residential campus in an idyllic setting in Athens and regional campuses, a history associated with the development of the state and the nation, and a pride in a sense of mission and place.

Ohio University has used its resources economically, productively, and effectively. Its expenditures per student are very cost effective compared to other public universities and large proportions of expenditures are on instruction and student scholarships. A very low proportion of expenditures is in administrative support. The University's productivity has increased in almost every area including faculty teaching productivity, student retention, degrees granted, and faculty involvement with students. Evidence of effectiveness and quality growth in students while they are enrolled has been measured and documented by the University's successful multi-dimensional campus assessment program. Ohio University has been recognized with numerous excellence awards, research and grant funding has increased, and there has been a significant growth in alumni gifts and support. Cost containment programs are in place and the University has re-directed funds into areas critical to the mission of the University. Strategies for enhancing quality in the period of future financial uncertainty have been developed as part of this task force review and will be implemented with the approval of the Ohio University Board of Trustees.

V. Strategies for Enhancing Quality in a period of Constrained Public Funding

Question: Given the prospect of constrained or even reduced state support for university education, what can Ohio University do to maintain access, enhance the quality of its services and respond to the several publics of the University?

Economic indicators and public policy decisions by state government suggest that state support will at best grow at a slow rate in the decade ahead. If recent trends in state support cannot be reversed it is likely there will be a prolonged period of financial stress. The issue before the university community is: can the University prosper in such an environment and what strategies will maximize that possibility. Three strategies are suggested: increase income from non-state sources; contain costs; reform and restructure.

A. Increase Income from Non-state Sources

1. Tuition and Fees

In 1980 Ohio University ranked second in the state in undergraduate tuition and fees. From 1980 to 1990 undergraduate fees increased from $1,206 per year to $2,721 per year or 125.6 percent. Several other universities raised their fees at a more rapid rate. As a result, Ohio University had the 5th highest fees in the state in 1990, a drop of three positions. During this same period the average tuition and fee increase in the state was 139.8 percent, well above that at Ohio University. If Ohio University had maintained its 2nd place rank in 1990, fees would be $300 higher and an additional $5 million would be available to the University.

If there is further erosion in the level of state funding, tuition and fees need to be examined as a replacement for a portion of lost state funding. In response to sharp cuts in state support in the early 1980's, Ohio University increased fees at a rate to replace 80 percent of lost state funding. Current and future reductions in state support will require increases at those approximate levels.

Increases in tuition and fees should be matched at state and university levels by increases in scholarship and financial aid. Since Ohio University already funds a larger percentage of scholarships and fellowships out of its general fund budget, new funds should come from private funding and endowments.

2. Enrollment Management

A change in student mix can also increase subsidy, tuition, and fee income. Potential sources for this increase include transfer students from two-year campuses and relocate students from the regional campuses who bring higher levels of state support; nonresident students who pay the equivalent of state support in non-resident surcharge. The enrollment management program should develop goals to increase the diversity of campus enrollments and enroll incremental students in programs that can absorb student growth with marginal increases in program expenditures. Graduate enrollments should be increased by students who are externally supported by grants, contracts, companies or govenments. Incremental graduate enrollments without direct cost consequences represent, in potential growth areas, net increases in operation funds.

3. Externally Funded Research and Sponsored Activity

Growth in graduate student support, research and service activity will be primarily dependent on increased external funding. From 1980 to 1990 external funding for research has increased from $2.5 million to $10.2 million or 308 percent. Funding for other sponsored restructured activities has increased from $10.1 million to $28.1 million. External funding for research should exceed $20 million by the end of the decade. Total funding for all sponsored activities should reach $60 million during that time period.

4. Private Support

Private support in the form of annual giving and endowment income can and should provide distinct support for quality in the years ahead. From 1980 to 1990 annual private gifts increased from $2.3 million to $11.2 million. The total value of the endowment in the period from 1980 to 1990 increased from $25.6 million to $66.4 million. It is expected that by the end of the decade annual giving will be at the $20 million level. Also by the end of the decade the total endowment should exceed $100 million with annual spendable income in a range of $6-9 million.

B. Contain Costs

Every dollar the University spends should serve or support the distinct educational mission of Ohio University and provide access for students across southeastern Ohio through five university centers. An undergraduate experience of unusual quality in a residential setting is available in Athens with opportunity for advanced instruction, research, and service.

To enhance quality, to fund continued improvement and reform during a period of constrained public funding, all segments of the University must actively search for ways to reduce or contain costs. The reduction or containment of costs must be part of the ongoing institutional planning process, a factor in all decision making.

The effort to improve quality in an extended period of constrained public funding in the opinion of the task force dictates a number of operating principles.

- University goals and priorities established in the educational plan must be understood and used consistently by all planning units.

- The enhancement of the academic mission in the central reason for any cost containment effort. All planning units must pay particular attention to ensuring the human and material resources essential to the institution's ability to attract and hold able students, respond to their needs and demands for courses and programs at both the undergraduate and graduate levels.

- The president, the provost, the deans, and the vice presidents must each take a leadership role in outlining processes and establishing the procedural guidelines for a systematic search for ways to contain costs while enhancing quality.

-- Special emphasis must be given to recognizing and rewarding quality enhancement in the context of greater efficiency.

C. Reform and Restructure

To better use limited resources, the review of the University and its activities should be an ongoing rather than a periodic process. Three interdependent yet distinct sets of tasks are necessary to continuously reform and restructure the University in response to changing conditions. The Task Force on Managing for the Third Century offers three recommendations to the Board of Trustees and to the University community:

1. Planning Process

The University planning process which has served the institution well over a decade-and-a-half period of reductions and increases in state support should be reaffirmed with its present structure and charge.

The planning process combines a broad participation with a focused responsibility for establishing priorities and for decision making in the several planning units and the University as a whole. It combines a holistic, goal-directed approach with a strong data base for planning and decision making.

Two focal points are the planning units and the University Planning Advisory Council (UPAC). The planning units are responsible for establishing goals and objectives to implement the University plan, the allocation of resources committed to the unit, and proposals for change.

The University Planning Advisory Council is responsible for review of projections of enrollment and income; evaluation of requests for new funds or reallocation of existing funds to particular planning units; topical, timely, short-term (three to five year) action plans; operational plans in the form of recommendations on planning pools and a fiscal plan for each budget year.

The council is chaired by the Provost and includes faculty, student, and administrative staff. Approximately one third of the total membership is replaced each year. The council submits a planning report to the president each year and this in turn provides a basis for review and action by the Board of Trustees.

The new economic reality suggests that criteria used in the planning process continue to emphasize the action agenda in resource allocation but with stronger emphasis on cost containment and growth by substitution rather than addition in support of reform.

2. Quality Circles

It is recommended that quality circles be formed around common activities across the whole university in a range that might include but not be limited to general education courses, departmental majors, housekeeping, maintenance, student services, and activities. Each of those quality circles should be asked to explore what its members as a group do and to consider possible alternative approaches to doing the tasks so as to improve performance and contain costs.

It is further recommended that the University encourage and reward innovation. To this end, funds should be made available to encourage research, development, experimentation and assessment in educational processes. Programs should be funded that reform and improve the quality of education and services while at the same time maintaining or lowering the costs of delivering education and services. A similar innovation fund should be provided for the nonacademic portion of the University to reward and support proposals to implement improvements that will respond to the needs of those who require the support services while maintaining or lowering costs.

Improvement and reform needs to focus on particular activities with continuous improvement programs established in the academic and support sectors of the University. The programs should include an education component and a methodology for trans-departmental process analysis and improvement. The purpose of the program is to examine any number of tasks to the end of improving service to students, faculty, and staff.

All deans, vice presidents, and department heads are to seek out individuals and/or groups and to provide recognition and support for efforts to improve services while maintaining or lowering costs. Information about innovations should be shared across the University to let others learn about practices they might be able to use. A best-practice consultant from within the University could be used to provide a focus for the examination and alteration of structure and process.

All of these processes and reward systems must be established in a context which makes the response to constrained public funds a reform-minded activity rather than a budget-driven necessity. The emphases should not be on cost cutting and efficiency at any price but on improvement and reform.

3. University Colloquium

The Task Force on Managing for the Third Century recommends that a University Colloquium be created to examine continuously the internal and external environments of the University, the future described by the current educational plan together with alternate futures for Ohio University.

The charge to the colloquium should include:

(1) A regular review of progress in implementing the educational plan for the University and periodic work on preparation of a restatement of the goals and

priorities established for the University.

(2) The examination of organizational structure and decision making at Ohio University and a continual effort at review, assessment, and improvement of operation and decision making.

(3) Continuous scanning of the external environment and, specifically, expectations addressed to the University by societal needs, by elected officials, by alumni and friends, and most importantly, by each succeeding generation of students. The review includes discussion of actual and proposed responses to these changing expectations.

(4) Examination of both the constant and changing roles of Ohio University in its service to the southern region of the state, the state as a whole, the nation, and the world.

(5) Exploration and assessment of change, reform, and innovation throughout the university world and the consideration of the implication of these developments for Ohio University.

Membership in the colloquium:

It is recommendation of the task force that the colloquium should meet three or four times a year, be chaired by the president, and include in its membership the Board Administration Committee of the Board of Trustees, two student trustees, three faculty members, and three staff members appointed by the Chair of the Board of Trustees on the recommendations of the president.

Owens Technical College
Toledo, Ohio

Mr. Wendell Fryer
Chairman & CEO of The Centrex Corporation
Findlay, Ohio
Chairman of the Board of Trustees of Owens Technical College

Mr. James Beshalske
President
Toledo Area Private Industry Council

Mr. Joseph Colturi, Vice President
The Port Lawrence Title & Trust Company of Toledo, Ohio

Mr. Norman Ladd
Industrial & Commercial Development Manager
Rudolph/Libbe, Inc. of Walbridge, Ohio

Mr. Charles Mann
Vice President for Business Affairs
Owens Technical College

OWENS TECHNICAL COLLEGE
MANAGING FOR THE FUTURE
TASK FORCE

I. Introduction

The Owens Technical College Managing for the Future Task Force utilized a study process designed to optimize committee members' input while minimizing the strain on their already-crowded schedules and the limited internal resources of the College. A review of the College's 1990 institutional self-study which had been prepared for the reaccreditation process of the North Central Association of Colleges and Schools; a review of the 1990/91 - 1994/95 Strategic Plan for Owens Technical College; a review of the agreement between the College and the Owens Faculty Association; and examination of statistical and empirical information developed by the College's staff in response to the questions listed in the Managing for the Future Institutional Committee Charge document yielded the initial drafts of this report.

The Institutional Committee offered refinements and clarifications to the draft at a meeting on May 19, 1992. This document reflects that final input.

The committee was chaired by Jan Skunda, Executive Director of College Relations, Owens Technical College. The committee members were:

Mr. Wendell Fryer - Chairman and CEO of The Centrex Corporation, Findlay, Ohio
Chairman of the Board of Trustees of Owens Technical College
Mr. James Beshalske - President, Toledo Area Private Industry Council
Mr. Joseph Colturi - Vice President, The Port Lawrence Title and Trust Company of Toledo, Ohio
Mr. Norman Ladd - Industrial and Commercial Development Manager, Rudolph/Libbe, Inc. of Walbridge, Ohio
Mr. Charles Mann - Vice President for Business Affairs, Owens Technical College

The concepts of examining institutional strategic direction, analyzing the impact of external and internal forces on the College's ability to fulfill its missions, and seeking the valued advice of community leaders were in no way new to Owens Technical College. Self-studies are part of the higher education setting; a living strategic plan is in place for the College; and advisory committees from the community are very much a part of College operations.

Although self-studies for individual academic programs are conducted as part of scheduled program reaccreditations and program evaluations are completed at the end of each academic year, the most recent institution-wide self-study was completed just some eighteen months ago.

Submitted to the Commission on Higher Education of the North Central Association of Colleges and Schools, this self-study (Appendix 1) provided an exhaustive analysis of the College.

Beginning with an examination of the College's Mission and Purpose statement, the study further examined the College's governance and administration, programs and curricula, human resources, student services, physical resources, financial resources, and other services. The study went on to measure performance against institutional goals and also sought to determine the College's ability to continue accomplishing its purpose.

The self-study found an institution with a burgeoning enrollment of students with increasingly diverse backgrounds and levels of preparedness, generally adequate equipment and facilities for existing programs, and on-campus support services which were meeting the varied needs of the students. However, the study also identified some significant concerns; among them - the impact of evolving from a small to a large institution, the need for allocating additional resources to ensure adequate quantity and quality of personnel, and the widening divergence of students' educational objectives and needs.

Each of the concerns raised in the self-study is exacerbated by the current constraints on the state's resources. Identifying areas which will require increased resources due to higher enrollments only accentuates the problems created by the aforementioned constraints.

The Owens Technical College Strategic Plan for 1990/91-1994/95 was officially approved by the College's Board of Trustees on January 15, 1991. It is designed to be a "living" document, keeping to the philosophy of Owens College President Daniel H. Brown that a strategic plan should be a road map not a rut. It serves as a guide for daily activities with the flexibility to evolve as internal and external forces impact the College and its operations.

The Strategic Plan is included in its entirety in Appendix 2. However, portions of the plan are excerpted in this report's narrative response to the key questions of the Institutional Committee Charge. The existence of this strategic plan, this institution-wide agreement on priorities, has been critical in dealing with the difficult choices which arise in grappling with financial shortfalls.

Critical as well are the College's advisory committees. Advisory committees for each technology program area are appointed by the Board of Trustees upon the recommendation of the President. These committees are composed of community volunteers from business and industry, health care and social service organizations, and the public sector. Currently, fifty-four advisory committees exist to serve both the Toledo and Findlay campuses of Owens Technical College.

These committees help keep the instructional programs realistic, practical and responsive to community and business demands. They provide real-world insights to ensure that the academic insulation that can sometimes develop in higher education settings does not occur. Advisory committee members look at the programs, curricula, and job placement opportunities within their area of expertise, offering suggestions for change which will help keep the graduates of Owens College well-prepared for productive careers and successful lives. They also help with equipment selection, faculty recruitment and, occasionally, equipment donations.

The commitment of the more than five hundred individuals who serve on the Owens Technical College advisory committees is exemplary. They have helped illustrate that shining a light from the outside into the dimly lighted corners of an institution's operations is not threatening or dangerous. In fact, the opposite is true. Shining a light exposes hidden pitfalls. It makes the path to be taken much clearer. It lessens the dangers.

II. Findings and Recommendations

In brief, with expanded explanations contained within the narrative responses in this report, the review of Owens Technical College identifies the following findings and makes the following recommendations.

Findings

- By virtue of its size and programmatic content, Owens Technical College needs to move forward with its objective of becoming a community college.

- Owens Technical College is seeking to direct limited resources toward accomplishing the highest priorities as identified in the College's strategic plan.

- The gap between the start of each fiscal year and the verification of the actual funds which will be allocated from the state creates a planning nightmare that few business enterprises would allow in the private sector. This is particularly true for growing institutions like Owens College which know full well that the growth factor will probably not be fully funded but can only guess at the actual cents on the dollar which will be provided.

- With northwest Ohio facing economic difficulties which currently outpace those facing many other areas of the state, the need to "re-tool" the area's adults is certain to continue unabated. Even if the state's revenues increase significantly, Owens Technical College needs to maintain careful stewardship in allocating funds based upon strategic priorities, because the enrollment projections at Owens far surpass expected formula reimbursements.

- The lack of a cohesive state system for the two-year colleges limits their collective power and blocks creation of systemic efficiencies.

- Although the introduction of a transfer module helps eliminate the state's paying twice for some students' coursework, articulation and transfer issues remain which aggravate students, frustrate college officials, and cost the state of Ohio money.

- Owens Technical College exercises care in scheduling courses and students so as to maximize classroom and laboratory utilization. However, capital allocations are not keeping pace with enrollment.

- Some constructive steps have been taken to streamline Owens Technical College operations and increase efficiency; however, additional steps can be taken, particularly in the areas of processes for form approvals and decision-making.

- In line with the steps mentioned above, the College is conducting an internal examination of paper flow to identify ways in which computerization could aid in this effort.

- Placement rates for Owens College graduates provide testament to the quality of education, as perceived by area employers.

- Alternative delivery systems such as in-plant degree programs and satellite locations for workplace literacy classes provide some relief to strained on-campus facilities but do add to the demand for human resources. However, the end result seems to be worth the effort as these programs directly impact the ability of Ohio's companies to compete in the global marketplace.

- As part of the on-going commitment to quality operations, it's essential to develop programs of labor/management cooperation; thereby producing quality education with the highest degree of efficiency.

Recommendations

- Encourage the state to pursue a state system of community colleges, unifying a fragmented two-year college system, increasing the effectiveness of state dollars by funneling more freshman and sophomore level students into the low cost centers of higher education, and better serving the taxpayers. The resulting enhanced use of the newly developed transfer programs would encourage the growth of a strong feeder system for the universities.

- Owens Technical College should continue with staff development programs for its administrators to further enhance individual's managerial abilities, thereby further improving the management of the College's operations.

- Further streamlining of processes and procedures at the College should be pursued to cut out unnecessary steps and bureaucracy. Care should be taken to maintain appropriate oversight and clear-cut responsibility.

- The College must continue to pursue improvement in quality through a relative increase in the number of full-time faculty. The ratio of full-time to part-time faculty remains below that set as a goal by the Ohio Board of Regents.

- The College must continue development of a Student Outcomes Assessment process. It is difficult to quantify quality when there are isolated statistics and data to support or refute quality assertions.

Rio Grande Community College

*Rio Grande, Ohio**

**Exempt*

Shawnee State University

Portsmouth, Ohio

Robert E. Dever, Chairman
Attorney, Partner, Bannon, Howland & Dever
Chairman of the Board of Star Bank
South Central Ohio

Sharon Cornwell, Senior Vice President
Bank One of Portsmouth/NA

Andrew Glockner, President
Glockner Chevrolet Company

William Platzer
Superintendent of Scioto County School System

Thomas Reynolds, Senior Partner
Reynolds & Company
Certified Public Accountant
(Member, SSU Board of Trustees)

Keith Spires, President, Osco Industries

Thomas Timion, Stockbroker
Edward D. Jones & Company

Dr. Wayne Wheeler
Physician

EXECUTIVE SUMMARY

REPORT OF THE SHAWNEE STATE UNIVERSITY MANAGING FOR THE FUTURE TASK FORCE

This report analyzes issues related to quality, productivity, and costs at Shawnee State University in light of SSU's role as a regional, open admissions, chiefly commuter institution offering the associate's and bachelor's degrees. Institutional growth in students is required to make SSU independent of its current supplemental funding, but with that growth must come growth in facilities, degree offerings, and full time, well qualified faculty.

The collective bargaining environment influences and constrains cost containment and management decisions at SSU, and this report recommends a review of process and practices to ensure planning which meets Ohio's needs for the '90s. Shawnee State University's regional service mission, which recruits new students and produces revenue and educational opportunities, can continue to expand. The Task Force notes that cost cutting measures which apply to mature institutions with stable enrollments do not apply at a new university enjoying 8% yearly growth, and that state universities' local autonomy for expending instructional subsidy dollars could reasonably be extended to include capital dollars as well.

SECTION TWO

The Task Force interviewed members of the Board of Directors, Administration, Faculty, Supporting Staff, and Student Body. Interviews were conducted on both an individual basis and in-group meetings. An anonymous survey was conducted. Reference information and statistical data were reviewed relative to Shawnee State University and other universities. Input was received from several hundred people, which covered a multitude of topics including (but not limited to) budget, operations, curricula, mission and activities.

Sinclair Community College

Dayton, Ohio

Doug Hawthorne
Chairman & CEO
Society Bank, N.A.
Dayton, Ohio

Oscar Baccus
Quality Improvement Consultant
Kettering Center
Dayton, Ohio

Beth Crawford
Director, Strategic Financial Planning & Analysis
NCR Corporation
Dayton, Ohio

Dale Medford
Corporate Vice President of
Finance & Chief Financial Officer
Reynolds & Reynolds
Dayton, Ohio

Mike Trigg,
Senior Vice President (Retired)
Society Corporation
Solon, Ohio

Ex-Officio:

Burnell Roberts
Chairman & CEO
The Mead Company
Dayton, Ohio

Franz Hoge
Managing Partner
Coopers & Lybrand
Dayton, Ohio

Sinclair Staff:

David Ponitz
President

Ned Sifferlen
Provost

Joe Gorman
Vice President for Business Operations

Steve Jonas
Vice President for Administration

Edna Neal
Vice President for Student Services

Herman Brant
Vice President for Instruction
(Acting)

SINCLAIR COMMUNITY COLLEGE

MANAGING FOR THE FUTURE TASK FORCE

EXECUTIVE SUMMARY

Summary Comments and Observations:

1. The College is well focused with a multi-faceted mission directed at the educational needs of the Dayton region, and with specialized programs serving the entire state.

2. The College faculty is committed to its direct instructional mission. The vast majority of faculty load is directed to classroom instruction.

3. The College is well managed and has a variety of sound management practices and techniques in place to assure efficient and productive use of resources.

   a. An impressive array of cost containment processes are in place, and a variety of specific cost saving initiatives have been undertaken (see attached document). It is apparent that efficiency and effectiveness are very much a part of the institutional culture.

   b. College average spending per student is well below state and national averages for like institutions.

   c. Based on peer comparisons, the College directs a disproportionately large part of its resources to direct instruction and student services, and markedly lower spending for administration.

   d. The College uses a number of creative strategies to acquire state of the art technology (cooperative arrangements with other schools, collaborative ventures, business-industry partnerships, direct donation, etc.) to enhance its resource base and to expose students to exemplary lab training experiences.

   e. College planning is long-range, strategic, and linked to resource allocation.

   f. A specific program for Total Quality Management/Continual Improvement is under active implementation.

   g. Employee performance is continually monitored and compensation is merit-based. In addition, multiple employee recognition strategies are employed for both faculty and staff to enhance morale and encourage further achievement.

   h. Sinclair student tuition is among the lowest in the state.

   i. The College actively and continuously assesses the financial impact of its various programs.

   j. The College actively monitors its ratio of full-time and part-time faculty; sufficient part-time faculty (with appropriate selection and quality control procedures) are maintained to promote efficiency and to allow the College to quickly respond in a cost conscious manner to program specific enrollment expansion and contraction.

4. Sinclair is an innovator in exploring efficient alternatives to the educational process; examples include College Without Walls, Experience Based Education, TV Sinclair, and extensive use of new technologies (PC, AV, Video, etc.) to broaden access to individualized and self paced instruction.

5. The College plays an active role in addressing a variety of the issues and challenges now confronting Dayton and most urban based communities. These include:

   a. Training and re-training for the jobs of today and preparation for the jobs of tomorrow. The College's role in researching, acting, and reacting to the local job market cannot be over-emphasized. It truly "leads the need" in anticipating the training needs of the local economy.

   b. Educational access for place-bound students.

   c. Educational and technological access for area organizations and employers.

   d. A forum for the discussion and resolution of community issues.

   e. Active linkages with area high schools, universities, and employers to facilitate a "total system" orientation for the educational process and its "end users".

   f. Efforts directed at specific populations e.g. displaced workers, welfare recipients, the handicapped, the educationally underprepared (of all ages).

6. Sinclair is at the leading edge in its commitment to accountability and outcome assessment. The "Sinclair Guarantee" for transfer and career programs announced for Fall, 1992 is but one element of a broader and well conceived plan toward a total assessment goal.

7. The College has a talented, dedicated, community oriented, active Board that establishes, monitors progress toward, and periodically re-evaluates mission, direction, and major policy goals for the College. It is absolutely essential that a strong local Board, operating within the appropriate governance structure, be maintained.

   a. Local leadership that provides insight, continuity, commitment, and responsiveness to a rapidly changing local environment has proven critical to optimizing the College's service to the community.

Further, the fact that Board members are readily recognized by the local community as individuals of strong reputation, expertise, personal integrity, and with the community's interest at heart has greatly facilitated the College's ability to gain acceptance and support from the community's leadership and populace.

b. The Board and College have found it critical to have the authority and flexibility to function autonomously and independently to best meet the needs of the community and the College's educational mission.

As the Task Force reflected on the importance of knowledge and marketable skills in keeping individuals out of prison and off public assistance roles, we cannot help but conclude that an open access institution like Sinclair is a vital community resource. Sinclair's impact on the local economy and social structure is enormous. Further, since comprehensive community colleges like Sinclair apparently are a relatively recent phenomenon in Ohio, we wonder if there is a general appreciation at the state level of the critical need for their programs and services.

The Task Force would ask public policy decision makers to consider:

a. A healthy economy and healthy society go hand in hand.

b. Increasingly, knowledge is the key resource and driver in our economy; economic regions must be able to build, sustain, and enhance their workers' knowledge base.

c. Knowledge is further the critical skill that people must possess to cope with and to contribute to today's complex society in a positive way.

d. The state's and nation's fortunes will continue to be buffeted and reshaped as we evolve toward an increasingly global and knowledge-based economy. Indeed, we believe that some of Ohio's most pressing current budgetary issues (prisons, youth services, and human services) offer compelling evidence that the state must balance treating today's symptoms against building for a healthy social and economic future. The need is becoming increasingly clear. We must be prepared to offer open and affordable access to education, training and retraining for the jobs of today and preparation for the jobs of tomorrow.

e. Sinclair has demonstrated, time and again and in many different ways, that an aggressive and well led local community college can be one of society's most effective resources for addressing economic and social issues.

Specific Recommendations:

1. The educational requirements for Ohio's workforce continue to change dramatically as we move toward an increasingly knowledge driven economy. Older workers must retrain at the College level and a significantly greater proportion of high school graduates must go to college to prepare for the jobs of today and tomorrow. College training, once a relative luxury in Ohio's economic structure, is rapidly becoming a necessity for the majority of Ohio's citizens if the state is to build a financially sound future. Access to quality and affordable higher education must become a top priority in the state funding process. The State must balance the investment between education on the one hand and prisons and welfare on the other.

2. The Task Force strongly encourages the College's move toward total quality management. In addition, the Task Force noted the College's merit pay program for faculty appears to be well conceived and progressive in design and implementation. It is recommended that the merit program for support/professional staff, which does contain some excellent features, should be evaluated in light of the recognition/reward philosophy advocated in total quality management.

3. The Task Force notes that the state process for distributing instructional funding appears to be rational and provides good institutional incentive and flexibility in controlling costs and directing resources to critical needs. At the same time, it appears the process needs to be updated to recognize currently unfunded activities critical to local economies and communities. Examples include support to small businesses and to expensive health career programs.

   The system is also deficient in that it is essentially a cost plus model using historical Ohio costs as the benchmark or norm. It is suggested that the model needs to incorporate one or more elements that would identify and measure efficiency goals, and would reward progress against meeting those goals.

4. The state's student financial aid programs should be modified to support the increasing numbers of low income, place-bound adults coming to college on a part-time basis.

5. The College appears to be strongly committed to the goals of a) increasing participation by adult Ohioans in higher education, b) providing access and success to underserved populations, and c) enhancing work force literacy as well as providing specific technical training.

   a. Multiple strategies are employed to further these goals e.g.:
      - o High school linkages, summer institutes, cooperative programs, etc.
      - o Extensive outreach and targeted marketing.
      - o Greatly strengthened entrance assessment, placement, developmental/remedial efforts, monitoring, tutoring and counseling.
      - o Active participation in JTPA, BVR, welfare reform and adult re-entry programs, etc.
      - o Extensive use of technology and other creative strategies to enhance the instructional process and learning experience.

b. Costs, especially student services costs, appear to increase disproportionately for the less prepared student. As a result, adequate funding is key to providing the capacity to serve and to ensure success for the academically disadvantaged. Items listed in a) above should provide some intuitive reasons as to why costs escalate so quickly with non-traditional populations.

State funding for academically disadvantaged students needs to be evaluated in light of the increased student support required to enhance student success.

6. Early retirement incentive programs provided through the state retirement systems are not adequately flexible to provide cost savings to colleges. As currently structured, the programs must:

   a. be offered to all employees within the broad classifications of faculty or staff; thus, there is not ability to direct an early retirement offering to specific departments where surplus staffing may have developed.

   b. utilize total retirement system service credit to determine eligibility priority versus service credit with the current employer.

7. The state's current approach to economic development is highly fragmented. The community college role and contribution in this effort could be considerably strengthened if the state approached this vital area in a more strategic and cohesive way.

SINCLAIR COMMUNITY COLLEGE
COST CONTAINMENT INITIATIVES

Sample Process Initiatives	Estimated Annual Savings
o Maintain flat organizational structure:	
- Aversion to associate and assistant type positions	$ 475,000
- Low G&A expense as a percent of total	1,600,000
o Carefully optimize class size and number of course sections	600,000
o Maintain lag in adding permanent positions vis a vis growth	450,000
o Maintain "accordion plan" with quality control relative to the staffing of part time faculty	900,000
o Proceed toward implementation of continual improvement/Kaizan processes	NQ
o Utilize part time hourly employees versus permanent to supply incremental staffing needs	800,000
o Initiate student assessment at all stages of enrollment (entry, ongoing and graduation) to eliminate "rework" and insure "value added"	NQ
o Emphasize central duplicating services versus satellite copiers in order to monitor and control usage	90,000
o Maintain pay for performance compensation program (use merit and one-time bonus awards); further enhance by moving to value-added base.	NQ
o Maintain active preventive maintenance, renewal and renovation program to prevent early failure and deferred maintenance problems	NQ
	NQ
o Willingness to terminate non-productive employees; promote employee improvement; reward knowledge based improvement	NQ
o Ongoing academic program reviews including financial impact analysis	
	NQ
o Strong budget process with each Vice President very familiar with his/her own as well as other budget allocation requests	
- Integrated with overall strategic planning process to insure allocations are directed toward priorities	
- Use of specific goals and objectives	

NQ = Cost savings obvious but not quantifiable

Sample Process Initiatives	Estimated Annual Savings
o Review of all major financial issues by highly qualified Finance Committee and Board of Trustees	NQ
- Ongoing access to "loaned executive" expertise in specific areas of concern	NQ
o Maintain detailed job description for each staff position with specific agreed-upon goals and accountabilities	NQ
o Initiate careful evaluation of grant funding for long term financial impact	NQ
o Insist that auxiliary operations "pay their own way"	$ 400,000
o Insist that faculty are focused on classroom teaching; provide release time for other activities but only with very specific review, approval and link to the College's mission	750,000
o Carefully evaluate the financial benefit of using in-house versus outside services	NQ
o Emphasize value based bidding for goods and services	NQ
Sample Specific Initiatives	
o Replace building lights with long life (less changing), low wattage fluorescent type	14,000
o Install energy efficient replacement windows throughout the campus	40,000
o Implement zip+4 and pre-sort mailings	9,000
o Install an integrated computer system to eliminate redundancies and gain efficiencies	NQ
- Purchase "off the shelf" computer and software and minimize customization changes	
o Install granite steps to replace pre-cast concrete	NQ
o Use of referrals to local hospitals and health agencies versus maintaining on-campus health and psychological services	NQ
o Implement and carefully monitor health care cost containment programs such as managed care, preferred provider organizations and extended care review; utilize employee cost sharing (deductibles and co-payments)	400,000
o Migration to new "user friendly" building automation system to eliminate "technical interface" function	NQ

NQ = Cost savings obvious but not quantifiable

	Sample Process Initiatives	Estimated Annual Savings
o	Establish a surplus property "clearing house" for internal use	NQ
o	Repaint/refurbish office equipment versus buying new - Use of standards	26,000
o	Where possible, place full-time employees on 9 and 10 month schedules	61,000
o	Place grant-funded employees on contingent contracts and evaluate financial impact before extending renewals	NQ
o	Utilize secretary/clerical pool versus hiring temporary employees	8,000
o	Implemented employee assistance program to provide vital service to employees as well as reduce health claims, absenteeism, turnover and increase productivity	NQ
o	Close campus or individual buildings at certain times in order to save utility and maintenance costs	NQ
o	Use of brick pavers, alternate treatment chemicals, etc. to eliminate salt damage to concrete surface areas	NQ
o	Control telephone costs via restricted lines and use of extensions versus separate lines; furnish department heads with monthly usage detail information	20,000
o	Retrofit the College's HVAC system	250,000
o	Doubled roof insulation for improved resistance to heat loss	10,000
o	Change HVAC systems to night and weekend set-back temperature to save energy during unoccupied building status	NQ
o	Install small boiler and chiller to save energy during low load heat and cooling demand cycles	NQ
o	Use dual fueled boilers to reduce gas costs	9,000
	TOTAL QUANTIFIED ESTIMATES	$6,912,000

NQ = Cost savings obvious but not quantifiable

Southern State Community College
Hillsboro, Ohio

Dr. S. Ladrach, Academic Dean

William Russell, Dean Students

Dr. P. Simmons, Dean Cont. Ed.

James Buck, Treasurer

Joyce Day, Dean South Campus

Jane Dye, Dean North Campus

Jim Delong, Business

Dr. B. Henry, Agriculture

Jon Davidson, Mathematics

Don Storer, Chemistry

Glenn Robison, Engineering

John Porter, History

Leora Stroup, Business

Vickie Parker, Nursing

Saundra Stevens, Medical Assisting

Mike Knauff, Maintenance

Pam Shannon, Administrative Assistant

Sherry Stout, Placement Coordinator

Laura Shively, Faculty Secretary

Shirley Cornwell, Systems Analyst

Fernando Garcia, Alumni Affairs

Executive Summary

Since the winter of 1989 Southern State Community College has been engaged in maximizing the impact of its revenues on its educational programs and services. As a result of the activities described in this report the College estimates that it has been able to cut its expenses by several hundreds of thousands of dollars. These savings have been used to maintain and the quality and integrity of the College's educational services and programs in an environment in which state support of higher education has declined by 14.25 percent.

The call for institutional task forces to deal with these issues afforded the College an opportunity to incorporate its Managing for the Future Task Force into ongoing efforts to "make more with less". The College plans to continue the operation of the task force as an integral component of its long-term planning process. The task force is now operating at a subcommittee level, these subcommittee's are dealing with cost saving measures within the departmental structure of the college.

In the Introduction of the report, the college-wide cost saving measures have been reported. Subsequent reports by the task force will deal with departmental cost saving measures.

In the body of the report four guiding principles have been proposed to guide the task force in its future actions. The principal charge to the task force goes far beyond the generation of a single report. The task force is to deal with the maintenance of the high quality programs and educational services currently offered by the College.

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Stark Technical College

Canton, Ohio

Joan Selby, Chairman
Attorney-at-Law

Irving M. Gordon, D.O., Chairman
Perry Family Practice Center, Inc.

Christopher Maurer, Director
Education & Organization
Development - Diebold, Inc.

Robert Bobbitt, President
Terr-Paul, Inc.

Dr. Robert Kollin, Vice President
Dean for Instruction/Student Development

Robert Hallier
Vice President for Business & Finance

Rebecca Priest
Director of Development/Report Editor

John Dunlap, President
Faculty Association
Assistant Professor, Communicative Skills

Jeff Poland, Past President
Inter-Club Council

David Aungst, Marketing & Communications Principal
The Timken Company

Background

On Dec. 4, 1991, Stark Technical College convened its Institutional Committee that was charged with the task of studying the relationship between cost and quality on the STC campus as part of a statewide Managing for the Future Task Force project. The 10-member Committee was comprised of the following people:

STC Foundation Board of Directors	**Joan Selby, Chairman** Attorney-at-Law
Board of Trustees	**Irving M. Gordon, D.O.** Chairman Perry Family Practice Center, Inc.
Industry Representative	**Christopher Maurer** Director, Education & Organization Development - Diebold, Inc.
Minority/Business	**Robert Bobbitt** President, Terr-Paul, Inc.
College Administrative Staff	**Dr. Robert Kollin** Vice President/Dean for Instruction/ Student Development
	Robert Hallier Vice President for Business & Finance
	Rebecca Priest Director of Development/Report Editor
Faculty	**John Dunlap** President, Faculty Association Assistant Professor, Communicative Skills
Students	**Jeff Poland** Past President, Inter-Club Council
Alumni	**David Aungst** Marketing & Communications Principal The Timken Co.

The Committee met monthly from December through April. The following report is a summary of its findings. Specific recommendations as to how Stark Technical College and the State of Ohio may further act to ensure quality in a limited funding environment appear at the end of the report.

Summary of Findings & Recommendations

The Institutional Committee appointed by Stark Technical College President John McGrath has completed its review of the three major areas it was requested to examine by the statewide Managing for the Future Task Force. Major committee findings and recommendations can be summarized as follows:

Summary of Findings

- The College is currently serving a record number of students while lacking sufficient space per OBR guidelines and sufficient funding per OBR subsidy models.
- Throughout this steady growth period, the College has undertaken a series of organizational changes which have downsized the administration.
- The College has made significant strides in providing more economic development and related service to the community without receiving state support for these components. This not only diminishes the amount of support that can be given to credit instruction, but places in jeopardy the institution's ability to expand, or even continue, its economic development activity which is very much in demand.
- The fact that the College pulled itself out of five years of deficit budgeting while serving growing numbers of students demonstrates that the institution has taken a serious look at and eliminated many of its inefficiencies.
- A review of the various forces influencing costs and impediments to sustaining quality have resulted in few additional recommendations regarding the control of costs. It is quite clear that the College is a lean operation. Additional cuts will force the College to a point of diminishing returns where present quality will not be possible with fewer dollars.
- The future implementation of Total Quality Management at the College is expected to provide significant enhancements to the quality of education at Stark Tech.

Summary of Recommendations

The Committee's recommendations appear on pages 12 and 13 of this document. The recommendations made can be categorized into three areas. They are designed to enhance:

1) The quality of service to students,
2) The institution's strength within the community, and
3) The statewide system of higher education.

Terra Technical College

Fremont, Ohio

Mr. Rex Damschroder
Chairman of the Committee
Fremont, Ohio

Dr. Richard M. Simon
President
Terra Technical College

Mr. Roy Armes, Vice-President
Whirlpool Corporation
Clyde, Ohio

Mr. Tom Camella
Chief Operating Officer
Croghan Colonial Bank

Dr. William Cassell, President
Heidelberg College

Mr. Roger Culbert, Attorney
Fremont, Ohio

Mr. Arthur Doust
Chairman of the Board
Chemi-Trol Chemical Company

Mr. Fred Jacobs
Vice-President of Sales
Roppe Corporation

Mr. Lee Koenig, President
Crown Battery Mfg. Company

Mr. Royce Kohlman, Inc.
Vice-President, Industrial Div.
Mosser Construction

Mr. William Lytle
Retired Merchant
Fremont, Ohio

Ms. Barbara Marley
Attorney & Mayor
Fostoria, Ohio

Mr. James Daubel
Publisher-Editor
Fremont News Messenger

Ms. Christine Schneider-Smith
CASS Enterprises

Mr. William Reineke
President
Reineke Tiffin Ford-Lincoln-Mercury, Inc.

EXECUTIVE SUMMARY

RECOMMENDATIONS

1. The Committee recommends that Terra Technical College adopt and completely implement Total Quality Management (TQM).
2. The Committee recommends that Terra Technical College include in its mission the concepts that are found in a community college.
3. The Committee recommends that Terra Technical College complete its consolidation into a single-campus operation.
4. The Committee recommends that Terra Technical College review the organizational structure with the objective of quality and cost containment.
5. The Committee recommends that Terra Technical College make more use of in-house expertise where practical.
6. The Committee recommends that Terra Technical College improves its evaluation system and establish a program resulting in rewards for quality performance.
7. The Committee recommends that Terra Technical College review those programs that no longer are State Department of Education funded, to reduce cost impact as well as a formal review process of all academic programs.
8. The Committee recommends that Terra Technical College review the processes for developing class schedules and registration procedures.

STATE LEVEL RECOMMENDATIONS

1. The Committee recommends that the state develop a fair and equitable measurement system to track the improvements of colleges, in both quality and cost. The state will need to establish an incentive system that would reward colleges that make continuous improvements in their quality of education, while reducing cost.
2. The Committee recommends that the state-wide "Managing for the Future" Task Force identify those "bureaucratic processes" which negatively impact the quality and cost of individual college operations. These should be submitted to the Ohio Board of Regents (OBR) with recommendations for improvements.

University of Toledo
Toledo, Ohio

Ronald McMaster (Co-Chair)
Glastech, Inc.

Ivan W. Gorr
Cooper Tire & Rubber

Darryl Allen
Trinova Corporation

Robert King
Fifth Third Bank

Borge R. Reimer
Dana Corporation

James Caldwell
50 Men & Women

Carl V. Patton (Co-Chair)
Vice Pres. for Academic Affairs

Scott G. McNall, Dean
Arts & Sciences

Prof. Joseph C. Sommerville
Admin. & Suprv. Education

Prof. Julia Baldwin
Library Administration

Prof. Donna Adler
Health & Human Services

Prof. Alfred Cave
(Prof. Larry Wilcox, Alternate)
Faculty Senate

UNIVERSITY OF TOLEDO
MANAGING FOR THE FUTURE INSTITUTIONAL TASK FORCE

EXECUTIVE SUMMARY

The University of Toledo Managing For the Future Task Force reviewed materials prepared by staff of the University addressing the many issues developed by the Statewide Task Force.

The UT task force found that the questions posed by the state task force did not completely or accurately reflect the most important concerns facing the university. The committee answered these questions, however, but focused on cost drivers and sources of revenue. There was agreement that the University will need to understand better those items which drive its costs as well as its sources of revenue.

UT Task force members included six senior business and community leaders, the vice president for academic affairs, the dean of the College of Arts and Sciences, three members of the university faculty, and a representative of the Faculty Senate.

Actions Recommended:

The University of Toledo should carry out the following actions:

- Develop a state of the art information system for strategic decision making.
- Quantify the factors that drive its costs.
- Develop a revised mission statement that refers to "quality," which can be quantified.
- Set priorities for goals in the university's mission statement.
- Implement a process of directed admissions.
- Develop an understanding of the implications of its mix of students.
- Give emphasis to achieving diversity, maintaining access, and retaining minority students, faculty and staff.
- Develop self-paced classes for the underprepared.
- Begin a process of clearly articulated program review.
- Encourage the University Board of Trustees to act strategically.

The state of Ohio should carry out the following actions:

- Fund higher education adequately.
- Remove the cap on tuition.
- Allow universities with uncapped enrollments to set enrollment limits.
- Respond to the demand for more need-based financial aid.

Washington State Community College*

Marietta, Ohio

*Exempt

Wright State University

Dayton, Ohio

Mr. John A. Bosch
Vice President & General Manager
Giddings & Lewis Measurement Systems

Mr. Thomas G. Breitenbach
President & CEO
MedAmerica Health Systems Corp.

Dr. Robert D. Dixon
Vice President & Senior Scientist
BCD Technology, Inc.

Mr. Daniel W. Duval
President & CEO
Robbins & Myers, Inc.

Mr. John S. Haddick
Chair & CEO
The Duriron Company, Inc.

Mr. Frederick W. Schantz
President & CEO
First National Bank

INTRODUCTION

The Wright State University Committee on Managing for the Future views the present crisis in funding for public higher education as structural rather than temporary. The cost of public higher education has been growing faster than the economy and must be brought within the bounds imposed by limited revenue at the same time, the state needs to educate more effectively and train a larger proportion of its citizens in order to enhance its economic future. To meet this challenge, we must implement dramatic changes in the system in such a way so as to break the traditional assertion that quality and higher cost are directly related.

Public higher education is easily politicized both in its governmental support and control and inside its educational institutions. The formation of the Ohio Board of Regents (OBR) and the introduction in the 1960's of a formula-based subsidy were very successful efforts to rationalize the budgets and programs of educational institutions. The independence of existing universities and new institutions created during that period encouraged the efficient development of a diverse educational system to meet the needs of a diverse state. We strongly support that system and submit our recommendations with the advice to avoid the creation of any additional bureaucracy to administer these proposed policies.

The state public educational institutions operate independently and form their own goals, consistent with the intentions of their boards and existing and projected economic constraints. As with any complex system, the constraints on the system often strongly affect its output. The specific funding policies set by the OBR shape the state educational system because the policies provide much of the economic reality in which the individual public educational institutions exist. Thus, we believe the OBR has the power to shape higher education in the state without changing its basic structure.

The committee participated in an extensive and effective process conducted by Wright State University, in order to reduce expenditures permanently and focus WSU's efforts on essential academic activities. This process, which resulted in $6.5 million in reductions, is discussed in Section 2. Even though we are pleased with this result, accomplished by a very strong and effective effort by both faculty and administration, we believe this may only be a first step the total evolving economic situation. The current climate calls for the development of a culture in the university system that is willing to establish true systemic change in the ways the entire Ohio system functions.

Some of the questions that this report must answer relate to how universities evaluate quality. Wright State University operates through a good faith effort based on tested academic traditions, but there is much to be done in establishing measurable goals for quality improvement. Better management techniques have been introduced over the past decade, and individual university units have been encouraged to take innovative approaches to cut costs and improve the quality of the services they provide. These questions are answered in detail in Section 3, with information provided by the university.

The committee is submitting a set of recommendations to the state which we hope will help create an environment for quality and change in the state educational institutions. It is necessary that the state require that each educational institution put quality procedures in place and establish measurable goals. Although the procedures are fairly standard in academic institutions and expressed standards are similar, the performance of the institution may not be closely related to effectiveness of these procedures, and the standards may not be appropriate. In many ways, academic performance, and hence evaluation, has been on an individual basis, whereas, the performance of an institution is more than the sum of these efforts. More importantly, the performance of the state educational system is more than the sum of the performance of the individual institutions. The state should institute system wide goals and establish funding and control systems based on the accomplishment of those goals.

The goals that the state needs to establish should be determined through a public process. The recommendations given here, and explained in Section 1, speak more to an environment for attaining those goals. These recommendations must be considered collectively rather than individually.

1. Eliminate unnecessary and ineffective programs.
2. Define specific roles for each educational institution and institute selective and tiered admissions.
3. Define system-wide goals and provide incentives for accomplishing those goals.
4. Institute policies that make the collective state institutions function as a system.
5. Encourage the use of technology on a system-wide basis to improve the quality and distribution of education.
6. Encourage and permit local control of those items which will not result in incompatibilities in the system.

Youngstown State University

Youngstown, Ohio

Mr. Peter A. Fetterolf, Chairperson
Retired Division Manager, Ohio Edison Company

Ms. Barbara Schwebel, Vice Chairperson
Former YSU Publications Director

Mr. William G. Mittler
Retired General Manager, Vindicator

Mr. Edgar Giddens
Personnel Department, General Motors, Lordstown

Mr. Charles J. McCrudden, Jr.
President, McGrudden Heating & Supply, Inc.

Dr. Robert Pegues, Jr.
Retired Superintendent Youngstown & Warren Schools

Dr. Ralph G. Crum
Professor, Engineering Technology

Dr. Duane F. Rost
Professor, Electrical Engineering

Dr. Thomas A. Maraffa
Associate Professor, Geography

Ms. Patricia A. Bleidt
Director, Student Developmental Services

Dr. David C. Genaway
University Librarian

Ms. Eileen Greaf, CPA
Director, Internal Audit

Ms. Willa Mattern, Secretary

Recommendations to Youngstown State University

A. Academic Programs and Administrative Structure

Although changes are made annually in programs, courses and job descriptions, the University has not systematically evaluated its academic programs or its organizational structure for a number of years. The *Report of the Strategic Planning Team* offered some ideas for restructuring that stimulated considerable discussion. Consequently, the University should:

1. Review the academic structure of the University with, at a minimum, the following goals:
    a. Evaluate existing or proposed academic programs and assess their roles in advancing the University's mission.
    b. Evaluate programs and course offerings to insure maximum subsidy without diminishing the quality of undergraduate education. Such evaluation should include a careful review of University requirements regarding the ratio of lower to upper division courses, the role of two-year programs in encouraging the pursuit of baccalaureate degrees, and remedial course offerings.
    c. Offer recommendations resulting from the program review.
    d. Evaluate the existing college structure to insure that, given current budget constraints, it best meets the needs of programs. Offer recommendations for change where applicable.
2. Review the administrative structure of the University with special emphasis on:
    a. Reorganization of the administrative structure from the top level to department chair level with the goal of consolidating responsibilities wherever possible.
    b. Continue to review role of athletics in the overall educational mission of the University.

B. Evaluation Policies

In an era of constrained resources, the University needs to reinforce efforts to sustain productivity and high-quality instruction among faculty and in its programs. As accountability becomes increasingly important, the University needs to improve and standardize evaluation and reporting techniques. Therefore, the University should:

1. Insure that evaluations of all University departments are conducted on a regular basis, through outside accreditations and reviews or through mandatory self-evaluations.
2. Require standard annual reports of activities for all faculty including research and publications.
3. Develop guidelines for required information in annual department reports to facilitate consistency and completeness of information.
4. Pursue the establishment of a State-sponsored Trustee Orientation program. Supplement this type of program with an annual Youngstown State University Board Orientation seminar addressing the responsibilities/roles of Youngstown State University's board members.
5. Through the Personnel Department, expand the scope of orientation and training seminars for all personnel to:
    a. Cover the reasons for pertinent policies and procedures, not just the mechanics.
    b. Communicate expectations of performance.

   - c. Encourage communication upward, downward and laterally.
   - d. Identify available resources.

6. Intensify and standardize all data collection and reporting efforts especially those related to productivity and quality, e.g., faculty publications and the progress of underprepared students.

7. Maintain opportunities for staff/faculty to update knowledge or continue education. Explore external funding to support research, release time, individual or departmental merit rewards, etc.

C. Class Scheduling

The Task Force recognizes that two of the most attractive features of Youngstown State University are its small class sections and early exposure of students to full-time faculty in introductory courses. Nonetheless, as resources become constrained, the University must seek ways to continue to serve its varied student population at lower cost, with greater efficiency, and without undo sacrifices in quality. Therefore, the University should:

1. Examine class scheduling and class sizes to maximize efficiency. Examples include but are not limited to:
   - a. Role of weekend and early morning classes.
   - b. Increasing class limits in elementary and beginning-level classes to capacity of rooms.
   - c. Reducing number of class sessions per week with corresponding increase in length of each session.
   - d. Video lectures in lower division classes where lectures are consistent from quarter to quarter.

D. Budget Policy

Current University policy implicitly encourages a "use-it-or-lose-it" mentality among academic and non-academic departments. The University should:

1. Develop an approach to budget planning that is based on establishing priorities, rather than on across-the-board allocations and cuts.

2. Encourage signature authorities to "underspend" annual budgets by incentives (i.e., carryover of a predetermined percentage of unused operating budgets into subsequent budget periods) and by cost recovery within operating budgets.

E. Marketing, Outreach and Fundraising

The University is seeking to bolster and coordinate its efforts in marketing, outreach and fundraising. In conjunction with suggestions of the *Five-Year Marketing Plan* and the *Report of the Strategic Planning Team*, the University should:

1. Hire a full-time, professional lobbyist to provide information about Youngstown State University and to protect and increase the University's resources at the State and federal levels.

2. Develop a more effective fundraising mechanism in conjunction with the Youngstown State University Foundation, Alumni Association and Penguin Club.

3. Continue to examine the long-term impact on continuing operating expenses when capital projects are being considered, regardless of source of capital funds. When capital gifts are offered, make every attempt to obtain adequate endowments for operating expenses before accepting.

4. Develop and market programs that target future enrollment markets such as the federally funded Upward Bound program offered to high school students.
5. Expand or improve the marketing of our Individualized Curriculum Program (ICP).
6. Encourage the concept that recruitment is a total University commitment. This concept endorses:
   a. The "Each One, Reach One" employee program.
   b. Sending recruiting "teams" to area high schools (include representatives from Admissions, faculty, administration and current students).
   c. Raising faculty awareness of the need for their active participation in marketing, recruitment and retention—inside the classroom as well as outside.
7. Expand minority recruitment/outreach efforts.
8. Continue to encourage public events on campus for potential students.
9. Encourage expanded solicitation of external funding for research.

F. Fee Structure

The University has provided a broad range of services funded by tuition. Recently the University enacted an across-the-board fee for lab courses to partially recover associated costs.

1. The University should monitor the effectiveness of this policy and evaluate it against the alternative of cost-based fees for specific courses/programs. The goal of fee policy should be to insure that the fee structure recognizes the higher costs of certain courses.
2. The University should evaluate the feasibility of consolidating or replacing the miscellaneous administrative fees, such as change-of-registration, with an enrollment services fee which is assessed each student each quarter. The purpose of the fee would be to provide streamlined services and to guarantee the stable revenue source necessary to provide these services. The Task Force recognizes that changes in fee policy may be contingent on revision of the pertinent section of the State Appropriations Act.
3. Any changes in fee policy should enhance revenues or at least be revenue-neutral.
4. The University should explore the feasibility of a financing model based on high tuition and high financial aid in order to collect a greater percentage of full educational costs from students who can afford to pay, while using a significant portion of the added tuition revenue for grants to low-income and lower-middle income families to help cover the cost of higher tuition.
5. If legally possible, offer reduced out-of-state surcharges to residents of Mercer, Lawrence and Butler counties in Pennsylvania to act as an additional attraction to the University for these students. The University should pursue any changes in State policy necessary (Appendix I).

G. Personnel

It should be emphasized that Youngstown State University personnel costs are low and employee productivity high. Howev[illegible]ersonnel issues at Youngstown State University are complicated by union contracts that bo[illegible]tect rights of employees and establish terms of employment. Such contracts also inhibit [illegible]lexibility of the administration to react in times of crisis.

Recent contract negotiations have become increasingly accrimonious and difficult. Resource constraints will likely exacerbate this situation. Union representatives and the administration alike need to cooperate to meet the challenges of the coming years. The University needs to review all aspects of employee compensation, which represents 85% of the educational and

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general budget, with the goal of containing costs, while also upholding the need to recruit and retain high-quality faculty and staff. The Task Force offers the following specific recommendations and acknowledges that many of them speak directly to contract issues.

1. Foster unity of purpose among faculty and staff by articulating University goals—both long- and short-term—on a regular basis, e.g., at the State of the University assembly, in an internal newsletter, through other new or expanded channels of communication.
2. Continue the early retirement incentive program for STRS members and develop a similar program for PERS members.
3. Review starting and ongoing salary scales. Balance the need to contain costs with the need to recruit and retain high-quality faculty.
4. Guard against wholesale cutting of limited-service faculty.
5. Modify terms of Extended Teaching Service contracts to develop lower rates of compensation.
6. Provide incentives other than salary increases (e.g., personal days, etc.).
7. Develop policies to measure and distribute workload more equitably among faculty and staff.
8. Continue to monitor the use of overtime and pursue use of shifts and alternate days-off to aid in reductions.
9. Establish University-wide staffing guidelines (e.g., FTE support:FTE faculty ratios, student headcount:staff ratios, etc.) and identify imbalances. Redistribute staff accordingly. Do not wait for positions to become vacant before evaluating, and do not allow areas experiencing vacancies to suffer inequitably.
10. Develop procedures to permit the use of short-term employees from outside agencies to fill temporary vacancies rather than promote multiple moves when current full-time employees take short-term assignments outside the "home" department.
11. Create more flexibility by offering 9-, 10- and 11-month contract appointments so that departments which have seasonal "downtimes" are not overstaffed during these periods.
12. Encourage use of variable work-week schedules in offices which experience highs and lows in workload (less staff work during downtimes, more staff working more hours at busy times). Consider the use of four-day work weeks in which staff schedules are rotated but offices continue to operate as they are presently.
13. Develop a formal procedure for "sharing" support services (e.g., secretarial). Persons in same job classifications could complete surveys to identify busy and slow times. Personnel Services could be responsible for coordinating this "emergency pool." This pool could also be utilized for filling temporary leaves of absence, providing faculty assistance with research publications, etc.
14. Develop policies to encourage all qualified employees to teach classes as part of their normal workloads.
15. Increase the use of student employees in order to reduce use of independent contractors and/or other employees whose jobs do not require specialized skills/training.

H. Operations

The University has always emphasized low operating costs. Recognizing the role of continuous review and feedback to this process, the following recommendations are offered:

1. Establish an internal University newsletter to replace miscellaneous other such publications.
2. Review computer needs and applications throughout the University on a "contribution to efficiency/cost savings" basis and reestablish priorities as indicated. Examples include: computerization of manual processes, mail bar coding and integration of systems.
3. The existing rigorous program of energy and utility conservation should include:
   1. Ongoing assessments of the heating, cooling and lighting systems.
   2. Ongoing assessments of building and classroom utilization.
   3. Expansion of recycling programs which are profitable and enhance the image of the University.
4. Evaluate the current investment strategy's ability to maximize return on investments.
5. Continue to review current mail policies and procedures, including:
   1. Cross-referencing students, employees and alumni to eliminate duplicate mailings.
   2. Maximizing use of postal presort services by coordinating and standardizing mailings from the various departments.
   3. Reducing overnight mailings and utilizing new Postal Service options for two-day delivery.
6. Continue to review potential benefits of outsourcing. Examples include:
   1. Investigate the potential for realizing greater rates of return on endowment investments through external management.
   2. Evaluate the potential savings of "phasing out" Motor Pool operations and, instead, bidding out such vehicle requirements to a local leasing or related-type company. Utilize cost-efficient vehicles.
   3. Closely monitor the financial stability of the Bookstore and, if not self-supporting, bid service out.
   4. Apply for private grants to finance capital cost over-runs for a child-care facility. Consider bidding out the management of the facility to avoid cost to the University.
   5. Investigate the use of a service company to administer all maintenance agreements.
7. Continue to consolidate services/programs where practical.
8. Other suggestions for reducing operating costs include:
   1. Combine all University-wide memos and notices into one weekly notice.
   2. Encourage all employees to utilize the Media/Print Center instead of office auditrons whenever ten or more copies of the same item are required.
   3. Consolidate the duties and physical location of the two separate Personnel offices.
   4. Standardize equipment, lights, ceiling tile, water fountains, vehicles, plumbing fixtures, etc. throughout campus.
9. Consider printing catalogs every two years with annual supplements, if necessary, instead of every year. Instruct readers to "contact the department for the most current degree requirements."
10. Solicit and reward employees' ideas which result in increased efficiency/quality.

Recommendations to the State of Ohio

The Task Force is aware that Youngstown State University is part of a comprehensive State system of higher education. As such, each institution in the system must seek to serve the needs of its constituent population while minimizing duplication of programs and facilities. With this in mind, the following recommendations address state policies regarding higher education. They reflect the following concerns:

A. The general level of State support for public higher education in Ohio.

B. The need for each university to establish fee policies to maximize flexibility and to recognize the unique location and mission of each university.

C. The need to avoid duplication of programs, facilities and services and to increase interuniversity cooperation.

D. The need to consider changes in operation and governance in public higher education.

A. State Funding

1. By new or increased taxes, fund higher education in Ohio at the median level among all states instead of at the lowest quartile, thereby decreasing the portion of college costs provided through tuition.
2. Insure that the subsidy formula clearly reflects the importance of an undergraduate education to the economy of Ohio.
3. Examine the role of universities in remedial education, recognize the higher costs of such programs, and fund accordingly.
4. Review State assistance to private institutions (e.g., bond guarantees and Ohio Instructional Grants) to assess whether such assistance is adversely affecting public institutions. Instructional grants should be limited to the average OIG awarded to students attending public institutions.
5. Assist State universities in their efforts to attract and retain bright and productive nonresidents by subsidizing all such students to a greater degree (Appendix I).
6. Develop State financial aid packages that are not predicated upon full-time status so that part-time students may be helped.

B. University Fee Policies

1. Discontinue tuition caps and allow each institution to adjust its tuition in response to market conditions.

   If tuition caps remain in place, amend the State Appropriations Act to allow institutions to charge each student an enrollment services fee that consolidates miscellaneous and administrative fees (for change-of-registration, transcripts, etc.).
2. Enact legislation to permit Youngstown State University to discount the out-of state surcharge for students in adjacent Pennsylvania counties.
3. Consider instituting a financing model which is based on high tuition and high financial aid. Current tax subsidies would continue but public policy would be modified to create a "secondary subsidy" for needy students—grants derived from the increased tuition revenue.

C. Interuniversity Relations

1. Reduce the number of branch campuses located in the service areas of other universities in order to consolidate classroom space and reduce duplication of programs and costs.

2. Encourage and support expanded inter-institutional linkage through consortium degrees and coordinated programming, such as:
    a. Coordination of technical training with joint vocational schools.
    b. An advanced engineering research center to support Youngstown State University, the University of Akron and Cleveland State University.
    c. Inter-institutional program in international business.
3. Establish a State-wide University Quality Management Committee which would review cost-saving ideas and suggestions for improved quality and efficiency, then publish its findings in a newsletter.

D. **Operations and Governance**

1. Allow applications for new academic programs to be evaluated on proposed staffing patterns rather than on staff in place.
2. Review the process by which priorities for capital funding are established to insure that projects which contribute to increased efficiencies or reduced costs receive highest priority.
3. Reduce State involvement in construction projects by allowing universities to manage their own projects (as community colleges already do).
4. Continue to encourage the implementation of equipment replacement reserve fund programs similar to the successful program established at Youngstown State University in 1982.
5. Consider "pooling" at the State level for:
    a. Health insurance (employees and students)
    b. Risk insurance
    c. Common purchases
6. Encourage the Board of Regents to hold as many briefings and other meetings as possible by teleconference. When it is necessary to hold meetings in Columbus, coordinate them so that several groups (e.g., CEOs, CFOs, chief academic officers) are scheduled at the same time.
7. In the interest of improving the state's business climate, seek amendments to public law (ORC 4117) to provide the best balance between organized labor and management.
8. Review the Board of Trustee appointment process and assess its adequacy in achieving balanced representation. The process should insure a diversified composition in regard to profession, race and sex.
9. Establish a New Trustees' Orientation program to acquaint trustees with their responsibilities/roles as board members, board officers and board committee members. Include presentations by representatives of the Governor, the Attorney General and the Ethics Commission. Initial programs should be attended by all current trustees as well as those newly appointed.